

ANNUAL BUDGET OF
EMAKHAZENI LOCAL
MUNICIPALITY



2012/13 TO 2014/15
MEDIUM TERM REVENUE AND
EXPENDITURE FORECASTS

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Abbreviations and Acronyms

CFO	Chief Financial Officer
MM	Municipality Manager
CPI	Consumer Price Index
CRRF	Capital Replacement Reserve Fund
DBSA	Development Bank of South Africa
DoRA	Division of Revenue Act
DWA	Department of Water Affairs
FBS	Free basic services
GAMAP	Generally Accepted Municipal Accounting Practice
GDP	Gross domestic product
GFS	Government Financial Statistics
GRAP	General Recognised Accounting Practice
IDP	Integrated Development Strategy
KPA	Key Performance Area
KPI	Key Performance Indicator
LED	Local Economic Development
MEC	Member of the Executive Committee
MFMA	Municipal Financial Management Act Programme
MIG	Municipal Infrastructure Grant
MPRA	Municipal Properties Rates Act
MSA	Municipal Systems Act
MTEF	Medium-term Expenditure Framework
MTREF	Medium-term Revenue and Expenditure Framework
NERSA	National Electricity Regulator South Africa
OHS	Occupational Health and Safety
PMS	Performance Management System
PPE	Property Plant and Equipment
PPP	Public Private Partnership
SALGA	South African Local Government Association
SDBIP	Service Delivery Budget Implementation Plan

Part 1 – Annual Budget

1.1 MAYOR'S REPORT

STATE OF THE MUNICIPAL ADDRESS

*HONORABLE SPEAKER
CLR. T.D NGWENYA
HONORABLE MMC'S
CLR. M.U HADEBE;
CLR. E.S RADEBE
CLR. N.A MASHE
HONORABLE COUNCILORS
MUNICIPAL MANAGER AND ALL OFFICIALS PRESENT
MY FAMILY MEMBERS
COMMUNITY ORGANISATION
OUR SOCIAL PARTNERS AND FRIENDS
LADIES AND GENTLEMEN*

GOOD EVENING!!!!!!!!!!!!!! SANIBONANI!!!!!!!!!!!!!!

We are meeting in this August house this evening at the occasion of the second official State of the Municipal Address.

"THEME"

"BUILDING MUNICIPAL ECONOMY FOR THE CREATION OF DESCENT JOBS AND SUSTAINABLE LIVELIHOOD THROUGH INFRASTRUCTURE DEVELOPMENT"

Most importantly we use this occasion to present the programme for the next financial year; which must improve our Municipality and its people.

The State of the Municipal Address takes place at a time when the continents living and longest surviving liberation movement, the African National Congress (ANC) is celebrating 100 years of its existence. In 1912 representative of various sectors of society converged in Mangaung with a clear determination to unite the people of South Africa under one banner in order to confront political and socio economic onslaught inflicted upon them by the repressive, illegitimate and notorious settler colonial regime.

We all know programme director that the historic and the current mission of the African National Congress has always been the protection of human rights and rejection of all forms of discrimination. It stood opposed to dehumanisation, degradation and exploitation of one by another. The ANC was formed on the solid foundation guided by the principle of building a United, Democratic, None Racial, None Sexist Prosperous and Peaceful South Africa.

Those who established the African National Congress have given South Africans the marginalised members of society a great legacy that has the capacity to provide answers to their socio-economic difficulties whilst at the same time building a country where every person's fundamental rights are respected and protected.

Programme director with all the achievement so far we were disappointed by the most barbaric, racist, in human , disrespectful, disgusting and sadistic so called portrait of president Zuma by Brett Murray.

The portrait was aimed at taking us back and we must refuse to be taken back by this individual who finds it difficult to accept change.

Indeed programme director we have been being provoked and we must not dance to his music. As people of Emakhazeni we must join all progressive South Africans in saying Hands off to Our President Hands Off. What this unfortunate incident points to is the fact that the country and indeed many of our local communities still have a very long road to travel in order to ensure peace, stability and the respect for human rights.

Difficult as it might be, we as a local municipality must spare neither sweat nor effort to build a non racial, non sexist and united Emakhazeni, based on human dignity for all our residences. We can do this if only we are focused on the tasks at hand, which among other things include the delivery of services in a sustainable manner and the creation of decent jobs. In this regard we must confirm the relevance of our municipal vision which is *"a secure environment with sustainable development to promote service excellence, unity and community participation resulting in a caring society"*

This long term vision is indeed a driving force behind all our efforts to build a better Emakhazeni for the current and future generations.

Programme Director, Since, we are presenting our second state of the municipal address, we must take this opportunity to give an account of the things we have done in our very first year of the current term before we communicate our programme for the next year.

When we resumed office in June 2011, we said that any task of a leader is to define reality, and so we defined our reality as follows:

- We found a municipality that was in serious cash flow challenges
- MIG Expenditure was at less than 50%
- Monitoring of Staff was not at the level where it should be
- There were potholes all over the Municipality
- There was a relapse on cleaning our towns and townships
- No robust plan to create decent jobs

And, so the first thing that we did as a collective was to work together with our administration to develop a 100 days programme that focused on ensuring that we come up with a revenue enhancement plan, that, we develop a service delivery plan that will focus on eradicating the many potholes that exist, that, we develop a monitoring tool to ensure that we get value for money from our staff and that we come up with a clear plan to clean our municipality and keep it that way.

Mr. Speaker I must say that our very first task was to ensure that we visit each one of our services units to meet and interact with all our staff members to implore them to work together with the collective leadership of councillors to make the 100 day programme a reality.

All indications point to the fact that the 100 day programme brought about a positive change in the attitude of our staff towards their work. We must however, hasten to add that in spite of our efforts to foster a positive change in the attitude of our employees towards their work, we still find some elements of rotten potatoes with bad attitude. We still need to do more to develop a new public sector cadre that will put service delivery first.

Secondly programme director we must indicate that although a number of potholes were fixed during the 100 day programme and beyond, even up to the present day. You still find that many of our areas are plagued by existence of potholes caused by ageing and aged road infrastructure that disintegrates from heavy trucks and the first rains of summer. Surely, moving forward we need to develop an integrated infra-structure improvement plan together with our social partners, whose trucks are the culprits that damage our roads in many instances.

Although great efforts have been put towards collecting moneys owed to the municipality by consumers, our debtor's book is increasing everyday due to non payment of services used by consumers. The reasons for the non payment of services is partly due to consumers that do not realise that it is essential to pay for the services that you consume, so that maintenance can be done and service delivery can improve. So we are making the clarion call to all communities and community structures to embark on *operation Bhadala*. Let us pay for our services because it is the right thing to do and the future of our municipality depends on it.

Programme Director I must indicate that further to the 100 day programme, we as a collective adopted a budget in June 2011 that primarily focused on the following priorities:

- Ensuring that drinking water meets the required quality standards at all times;
- Protecting the poor from the worst impacts of the slow recovery in the labour market;
- Supporting meaningful local economic development (LED) initiatives that foster micro and small business opportunities and job creation;
- Securing the health of their asset base (especially the municipality's revenue generating assets) by increasing spending on repairs and maintenance; and
- Expediting spending on capital projects that are funded by conditional grants.

Honourable Speaker indeed much has been done in our first year and working together moving forward we can do more within the limited resource envelope that we have.

I now give some highlight on how far we have gone to implement our 2011/12 priorities.

We have made the delivery of clean water our daily programme and to that extent the quality of our water is monitored monthly by council. We have also passed resolutions that seek to ensure that we do not compromise on the quality of our water, such as ensuring that the service providers that assist us monitor the quality of our water are paid on time. However, we have noted with concern that the municipal blue drop status has dropped from 83% to 79% this year. In this regard we have instructed our officials to rectify the situation with immediate effect.

On protecting the poor, we have approved a list of indigents that qualify to receive free basic services including 50kwh of free basic services. We must however apologise that the process took longer than we had anticipated because we had to ensure that we do thorough screening of those that qualify. What we have also done in this regard was to ensure that those that do not qualify as indigents, do not receive free basic electricity so that it is only the poor that will enjoy such benefits.

We continue to support LED initiatives to create decent jobs and promote SMME development. In this regard we have worked together with our social partners, particularly Exxaro to create jobs through the establishment of a bakery, chemicals centre, brick making plant and through the building of 21 decent houses for our poorer communities. To date 43 jobs have been created. Furthermore we have worked with Nkomati mine to build decent roads in Emgwenya thereby creating approximately 20 temporary jobs.

We are also currently working with Nkomati mine and Assmang Chrome to pave roads in Entokozweni thereby creating 08 temporary jobs so far.

Working with the department of Co-operative governance and Traditional Affairs we have created 40 decent jobs for the local people on the EPWP project. I must also hasten to add that our people need to develop a mindset that is positive towards these interventions by government.

We have also put pressure on the local mining companies and Spoornet to develop programmes that will assist employ more local people. In this regard we have noted with appreciation that ANDRU mining has employed more than sixty local people of Siyathuthuka in just less than two months. We have also noted with appreciation that Spoornet has employed more than 20 local people of Sakhelwe in Dullstroom in the current year.

Programme Director, we have also received a proposal from WB Noka consortium to develop Emgwenya to be a new urban and industrial hub over the next five to ten years. We did not waste time to subject their proposal through a public participation and solicited views of National Treasury. We are now on the verge of signing the PPP agreement with them subject to final authorisation of their funds by the SA reserve bank. Once approved, this PPP agreement will bring about the development of our basic services infra-structure to the value of about a billion rand and the building of about a thousand low cost housing, thereby creating more than a thousand jobs for the local community.

Programme Director we have also approved township establishment plans for the development of Siyathuthuka extension 4 which is now known as extension 6 and 8 since we have now subdivided extension 4. This will see the implementation of an integrated human settlement programme announced by the premier in his state of the province address in February of this year. I am told that all township establishment and environmental processes have been completed and so we are now ready to start with the installation of enabling infra-structure in the next financial year. We expect to create more than 200 job opportunities for the local community and opportunities for both local supplies and smmes. So our local businesses must be ready to participate in these initiatives.

Programme director we must thank our people for the patience they have shown over the past three years waiting for Siyathuthuka extension 4 to be developed. We must reiterate our commitment to bringing decent infra-structure development to foster growth and job creation. Once again we must request our people to be patient because it takes time to plan such developments.

We have also approved the township establishment of Emthonjeni extension 4 which will see the establishment of about 350 or more stands. So we are making a call to developers to submit development proposals to take Emthonjeni extension 4 forward.

In his state of the province address in February 2012 the Premier of Mpumalanga announced that the department of education will be building a provincial boarding school in Entokozweni. Programme director we must report that the department has already taken transfer of the land on which this boarding school is to be built. Furthermore, the planning processes have already begun and all professional consultants have been appointed. We are once again making a call to all our local SMMs and supplies to be ready to do work in these Infra-structure developments.

Mr. Speaker we have also made land available to the department of Culture Sports and Recreation to develop an International Sports Academy in Emakhazeni. We must indicate that again all planning processes are in the processes of being concluded and we are told that the implementation agency is ready to start with the enabling infra-structure before the end of this year.

We have also taken a decision to build new municipal offices and make the current building available to the Nkangala FET College so that they can explore the possibilities of starting a technical college that must support the mining industry with the requisite technical skills. We must say that we are far advanced with the planning processes of building our new offices through a PPP arrangement.

As part of our commitment to bring a better life for our people we have requested one of our social partners to assist us to build two houses for the elderly and those living with disabilities in Emgwenya and Emthonjeni, without depending on assistance from Human Settlement. The two beneficiaries were identified through our door to door programme, which we will continue to do in all our areas. We challenge all our social partners to assist whenever they requested to intervene in similar circumstances.

Finally, Speaker we are currently in the processes of negotiating for the establishment of a performing arts theatre in Dullstroom, which must be done by the department of Culture Sports and Recreation.

While doing all these developments we are mindful of the fact that we have to protect our existing infra-structure and build new once to support the anticipated infra-structure growth. In this regard we have requested Nkangala District to assist us review our water services development plans which will assist us protect our water and sanitation infra-structure.

Programme director I must add that one of the conditions given to all the developers is that they must ensure that they contribute towards improvement of off-site infra-structure to support all their developments.

We have said in the beginning that we had found a municipality that was and still is in cash flow challenges, caused mainly by the escalation costs of electricity that we purchase from ESKOM and the fact that our electricity infra-structure needs constant maintenance. Adding to these challenges is the Izinyoka, those that steal our electricity. What we have done over the past year was to install about 900 new electricity meters fitted with temper proof seals. So our communities are warned not to temper with Electricity, otherwise they will have to pay a heavy fine. We have also ensured that our electricians are capacitated to respond to complaints speedily.

We have also done network upgrading in Entokozweni, Emgwenya and Emakhazeni lower part of town and Siyathuthuka so that we supply electricity in a reliable manner. We have also just recently appointed two electricians who will focus on disconnecting those that still electricity and do not pay for the services.

We have also requested ESKOM to assist us install solar ceilings in our local townships, and they will be rolling out this project in the next few months

Finally, to minimise dependency on electricity, we have started a project of installing solar geysers to more 1000 households in all our townships.

As indicated earlier in this speech that we have found a municipality that had spent only 33% of it's 2010/11 MIG allocation, we immediately put stringent measures in place to ensure that MIG money is spent expeditiously and for the purposes of Infra-structure development. We must indicate that by the 30th of June 2012 we shall have spent more than 80% of our 2011/12 MIG allocation and I am sure that the expenditure is also visible on the ground by way of the roads improvement all over Emakhazeni.

Our Programme for the next year

Programme Director we now want to communicate our delivery programme for the next financial year.

Our delivery programme will not be possible if it is not given effect to by a credible budget and so:

Section 16 of the Municipal Finance Management Act (MFMA) requires that the municipality must for each financial year approve an annual budget before the start of the financial year.

The format and contents of the budget are prescribed by sections 16 to 27 of the MFMA as well the new budget and reporting regulation issued by National Treasury.

The MFMA refers to funding of expenditure and states:

- a.** An annual budget may only be funded from:
 - realistically anticipated revenues to be collected
 - cash-backed accumulated funds from previous years' surpluses not committed for other purposes; and
 - Borrowed funds; but only for the capital budget referred to in section 17(2).
 - b.** Revenue projections in the budget must be realistic, taking into account:
 - projected revenue for the current year based on collection levels to date; and
 - Actual revenue collected in previous financial years."
1. Circular 58 and 59 issued by National Treasury provide further guidance for the preparation of 2012/2013 budgets

So, our budget seeks to respond to:

A responsive, accountable, effective and efficient local government system that is able to

- Adopt IDP processes appropriate to the capacity and sophistication of the municipality
- Implement the community work programme
- Ensure ward committees are representative and fully involved in community consultation processes around the integrated development plan (IDP), budget and other strategic service delivery issues
- Improve municipal financial and administrative capacity by implementing competency norms and standards and acting against incompetence and corruption
- Continue to develop performance monitoring and management systems
- Comply with legal financial reporting requirements
- Review municipal expenditures to eliminate wastage
- Continue to implement the municipal turn-around strategies
- Ensure councils behave in ways to restore community trust in local government

While the budget must reflect the political priorities of the current council, it is equally important that the current council ensure that the budget for 2012/13 is properly funded, and improves the financial sustainability of the municipality over the medium term.

Therefore priority ought to be given to:

- Ensuring that drinking water meets the required quality standards at all times;
- Protecting the poor from the worst impacts of the slow recovery in the labour market;

- Supporting meaningful local economic development (LED) initiatives that foster micro and small business opportunities and job creation;
- Securing the health of their asset base (especially the municipality's revenue generating assets) by increasing spending on repairs and maintenance; and
- Expediting spending on capital projects that are funded by conditional grants.

We now indicate the budget related issues, starting with tariffs:

Approved Tariff increases 2012/13

Assessment Rates:	10%
Electricity:	11.03 %
Sewerage:	10 %
Water (Consumption):	10 %
Water (Basic Charge):	10 %
Cleansing:	10 %
Other income:	10 %

The average increase of tariffs will thus be 10%. The 10% increase on consumption of water is due to the scarcity of water and the high increase of costs for maintaining water and waste water purification plants. The municipality also strives at encouraging the community to preserve water as it is a scarce natural resource. Nersa has guided for electricity tariffs to be increased by 11.03% for municipal tariff review process whilst bulk purchase has been increased by 13.50% in line with Eskom's tariff increase.

When determining the tariff increase the municipality did not align the increase with the current CPI however it has taken into consideration its unique circumstances as follows:

- The cost of rendering services, repairs and maintenance of dilapidating infrastructure and renewal backlogs that exist in relation to municipal, infrastructure particularly, municipalities' electricity, water reticulation, sewage and storm water and roads systems. All these repairs & maintenance infrastructure needs regular and timeous response by the municipality.
- The municipality also took into account the labour and other input costs of services provided by the municipality.
- The need to ensure financial sustainability, local economic conditions and the affordability of services, taking into consideration the municipality's indigent policy

It is noted that these backlogs are impacting negatively on the financial sustainability of the municipality and on the reliability and quality of municipal services, as well as municipalities' contribution to supporting economic growth.

Therefore the tariffs will increase with effect from 01 July 2012 as indicated above.

Approved Capital Budget Summary

A summary of the proposed capital budget is set as follows:

Source of Funding:	Budget 2011/12 Current	Budget 2012/13	Budget 2013/14 Forecast	Budget 2014/15 Forecast
MIG	R 13,131,000.00	R 15,929,000.00	R 16,803,000.00	R 17,774,000.00
Nkangala	R 10,060,000.00	R 10,930,000.00	R 11,586,000.00	R 12,165,300.00
Internally funded	R1,141,117.00	R 1,652,921.00	R 1,735,567.00	R 1,822,345.00
TOTAL:	R 24,332,117.00	R 28,511,921.00	R 30,124,567.00	R 31,761,645.00

The Budget Summary

Total Budgeted Revenue Framework

The total estimated revenue for 2012/2013 financial year is **R 157,720,961** and the sources are summarized as follows:

Description	Original Budget 2011/2012	Adjustment 2011/2012	% of Budget	Budget 2012/13	% of Budget	Forecast 2013/2014	Forecast 2014/2015
Grants And Subsidies	47,903,000	44,855,000	25%	54,877,000.00	34%	57,728,000.00	62,140,000.00
Property Rates	14,993,822	25,000,000	14%	25,994,372.00	16%	25,994,372.00	25,994,372.00
Electricity	46,853,516	46,853,516	26%	37,989,458.77	23%	37,989,458.77	37,989,458.77
Water	10,069,817	10,069,817	6%	11,076,799.00	7%	11,076,799.00	11,076,799.00
Refuse	5,466,555	5,466,555	3%	7,031,435.00	4%	7,031,435.00	7,031,435.00
Sewerage	6,392,214	6,392,214	4%	6,013,211.00	4%	6,013,211.00	6,013,211.00
Rent Of Facilities And Equipment	732,880	732,880	0%	660,917	0%	660,917.00	660,917.00
Interest Earned External Investment	41,400	41,400	0%	35,868	0%	35,868.00	35,868.00
Fines	600,850	602,350	0%	601,850	0%	601,850.00	601,850.00
License And Permits	211,610	211,610	0%	300,080	0%	300,080.00	300,080.00
Income For Agency Services	1,254,500	1,254,500	1%	1,130,200	1%	1,130,200.00	1,130,200.00
Other Revenue	32,861,215	35,403,115	20%	17,399,073	11%	17,399,073.00	17,399,073.00
TOTAL OPERATING REVENUE	167,381,379	176,882,957	100 %	163,110,264	100 %	171,372,928	181,467,174
Less Revenue Foregone	5,742,769	5,435,331		5,389,303		6,087,815	5,941,707
TOTAL DIRECT OPERATING REVENUE	161,638,610	171,447,626		157,720,961		165,714,159	175,525,467

Grants

The Division of Revenue Act for the 2011/12 has been allocated as follows:

	2011/2012	2012/2013
1. Equitable Share	R 31,562,000.00	R 35,648,000.00
2. Financial Management Grant	R 1,250,000.00	R 1,500,000.00
3. Municipal Infrastructure Grant	R 13,131,000.00	R 15,929,000.00
4. Municipal Systems Infrastructure Grant	R 790,000.00	R 800,000.00
5. Public Works Programme Incentive Grant	R 536,000.00	R 1,000,000.00
6. National Electrification Programme Grant	R 634,000.00	R -
Total	R 47,903,000.00	R 54,877,000.00

Budgeted Expenditure Framework

The total expenditure projected for 2012/2013 financial is R 168,380,784 which is related to cash items. The overall non-cash items resulted to a deficit of R 10,659,822.

Description	Original Budget 2011/2012	Adjustment 2011/2012	% of Budget	Budget 2012/13	% of Budget	Forecast 2013/2014	Forecast 2014/2015
Employee Related Costs Salaries & Wages And Social Contribution	61,789,615	61,766,619	36%	62,067,616	37%	65,170,996.85	68,429,547
Remuneration Of Councillors	3,977,322	4,194,322	2%	4,321,681	3%	4,537,765	4,764,653
Working Capital: Bad Debts	2,243,240	2,243,240	1%	2,355,402	1%	2,473,172	2,596,830
Depreciation / Amortization	0	2,915,119	2%	2,915,119	2%	3,060,874	3,213,917
Repair And Maintenance Assets	9,226,011	9,549,291	6%	8,950,689	5%	10,525,976	12,235,577
Bulk Purchases (Electricity)	25,979,680	30,979,680	18%	35,161,937	21%	36,920,034	38,766,036
Contracted Services	6,246,347	8,210,117	5%	8,383,228	5%	8,802,389	9,242,509
General Expenses Other	23,408,253	23,925,558	14%	22,723,947	13%	23,860,144	25,053,101
Interest Expense External Borrowings	2,443,991	2,443,990	1%	619,244	0%	650,206	682,717
Grants And Subsidies (Operating)	3,210,000	2,674,000	2%	3,300,000	2%	2,370,000	2,700,000
Grants And Subsidies (Capital)	13,131,000	13,131,000	8%	15,929,000	9%	16,803,000	17,774,000
Capital Cost (Internal)	1,141,177	572,716	0%	1,652,921	1%	1,735,567	1,822,345
Capital Cost Refurbishment	8,841,974	8,841,974	5%				
Total Operating Expenditure	161,638,610	171,447,626	100%	168,380,784	100%	176,910,124	187,281,232
Operating Surplus/(Deficit)	0	0		-10,659,822		-11,195,966	-11,755,764

IN CONCLUSION

We must congratulate the Municipality for winning the best community residential units project of the year in the Goven Mbeki Human Settlement Award, also programme director let's put our hands together in congratulating Mbali Dlamini for winning the Premier's Excellence award, she was not alone programme director our current Department of Education and our Clinic also won in the Premiers Excellence Award. We must thank all of them for representing Emakhazeni so well, we are proud of you.

This Municipality, our Municipality is a Municipality of Excellence and we must all strive to achieve good for ourselves and our Municipality.

Mbali, Mrs. Motloun and the Clinic Head you are now all ambassadors of Emakhazeni, you have put us on the Map "Thank you very much"

Programme director we were given this mandate to lead this Municipality a year ago and the journey we begun in June 2011 is a long journey.

We say so Honorable Speaker because we must not try to maintain an unrealistic outlook or lifestyle which will one day make us to pay the realistic price. We don't need to be cosmetic when we deal with real issues affecting our society.

The troika challenges, unemployment, poverty and inequality remain our area of concern and we must pay special focus on these realities. We have to do everything in our power to fight these challenges that affect our society today.

Unemployment continues to hit hard on our communities especially the youth.

Programme director if our communities are unemployed that affect our service delivery programme because our main source of revenue is rates and taxes. If people are not working they qualify to be on the indigent list and those who are indigents they need to be supported by the Municipality this creates a serious challenge for the Municipality and that is why, Programme director we have since resolved on the establishment of a Municipal entity which will be a special purpose vehicle to boost our service delivery perse.

We are also in a process of establishing Local Job Fund to support Job creation initiatives and have entered into partnership between the Municipality and Emakhazeni fire and emergence Services, and the partnership will focus on two projects aimed at job creation namely

1. Community Incident and Disaster Management Safety and Resilience Project and
2. Emakhazeni Emergency Incident and disaster Management Centre of excellence.

The partnership has started to bear fruits Honorable Speaker we have so far started to received what is due to the Municipality

Honorable Speaker we have engaged with Nkomati and Assmang for the establishment of data centre for an easy access to the reserve labour and skills. I must report that very soon we will be launching the centre.

Honorable Speaker this budget is a people driven and peoples centred budget.

I am calling on all honourable Councillors and all structures in our communities to join hands with us as we do our contribution to change our people's life.

Let's all live a purpose driven life because that will help us to understand why we are created and that will help us to reduce our stress, refocus our energy and simplify our decisions. Do everything in our part to live in peace with everybody. Jesus said the way to love him is to love his family and care for their practical needs.

Honorable Speaker to be greedy and to be jealous is a choice; it is not what we were born for. Let me remind the honourable house that the purpose of God about our life is to love one another, live in peace and harmony.

Lets discover ourselves as we start a new financial year and the only accurate way to understand ourselves is by what God is and by what he does for us.

Honorable Speaker all of us on our mark.....

Get ready..... Let's go.....

1.2 COUNCIL RESOLUTIONS TO CONSIDER THE BUDGET FOR 2012/13, 2013/2014 AND 2014/2015 FINANCIAL YEARS ON THE 31 MAY 2012 IN THE COUNCIL CHAMBER, EMAKHAZENI, AT 17:30

EXTRACT FROM THE MINUTES OF A SPECIAL COUNCIL MEETING HELD ON THE 28 JUNE 2012 IN THE COUNCIL CHAMBER, EMAKHAZENI, AT 17:00

25/06/2012 DRAFT BUDGET: MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR 2012/13 , 2013/2014 AND 2014/2015 FINANCIAL YEARS

Resolved that;

1. The draft Medium Term Revenue and Expenditure Framework for 2012/13 – 2014/15 is approved with all budget tables A1 to A10.
2. The draft Medium Term Revenue and Expenditure Framework for 2012/13 – 2014/15 and all supporting documents and/ tables SA1 to SA37 are approved, and the Accounting Officer must submit the documents to the Provincial, National Treasuries and other relevant departments.
3. The proposed budget request for new personnel is approved.
4. The proposed capital projects are approved.
5. The proposed tariff of 11.03% for electricity as guided by Nersa is approved.
6. The following proposed tariffs are approved;

Assessment Rates:	10%
Electricity:	11.03 %
Sewerage:	10 %
Water (Consumption):	10 %
Water (Basic Charge):	10%
Cleansing:	10 %
Other income:	10%
7. The 7% salary increase is approved.
8. The budget deficit with regards to non-cash items is approved.
9. It is noted that all issues raised have been considered in the Medium Term Revenue and Expenditure Framework for 2012/2013 – 2014/2015.
10. The tariffs should be made public for a period of 30 days for noting and information purposes only.
11. The final budget is approved in terms of section 24(2) (a-c) of the MFMA.
12. The WB Noka housing project be included as an anchor project.
13. Council notes the objection by Clr. Lello on behalf of the Democratic Alliance on the consultation process especially the increase on services.

CERTIFIED CORRECT.....
MUNICIPAL MANAGER

DATE.....

1.3 EXECUTIVE SUMMARY

26/05/2012 DRAFT BUDGET: MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR 2012/13 , 2013/2014 AND 2014/2015 FINANCIAL YEARS

REPORT OF THE ACTING CHIEF FINANCIAL OFFICER

BACKGROUND

Section 16 of the Municipal Finance Management Act (MFMA) requires that the municipality must for each financial year approve an annual budget before the start of the financial year.

The format and contents of the budget are prescribed by sections 16 to 27 of the MFMA as well the new budget and reporting regulation issued by National Treasury.

The MFMA refers to funding of expenditure and states:

- c.** An annual budget may only be funded from:
 - realistically anticipated revenues to be collected
 - cash-backed accumulated funds from previous years' surpluses not committed for other purposes; and
 - Borrowed funds; but only for the capital budget referred to in section 17(2).
- d.** Revenue projections in the budget must be realistic, taking into account:
 - projected revenue for the current year based on collection levels to date; and
 - Actual revenue collected in previous financial years."
- e.** Circular 58 issued by National Treasury provide further guidance for the preparation of 2010/2011 MTREF.

In terms of the 2011 Local Government Budget and Expenditure review when municipalities embark on reviewing their integrated development plans (IDPs) and developing their new budgets, they will need to ensure alignment with these outcomes 12 priority outcomes and the role of local government with regards to these outcomes:

2. *High-quality basic education*

- Facilitate the building of new schools through participating in needs assessments done by provinces, identifying appropriate land and facilitating zoning and planning processes
- Facilitate the eradication of municipal service backlogs in schools by extending appropriate bulk infrastructure and building connections

3. *Improved health and life expectancy*

- Many municipalities perform health functions on behalf of provinces
- Strengthen effectiveness of health services managed by municipalities by specifically enhancing TB treatments and expanding HIV and AIDS prevention and treatments
- Municipalities must continue to improve Community Health Service infrastructure, by providing clean water, sanitation and waste removal services

4. *All people in South Africa protected and feel safe*

- Facilitate the development of safer communities through better planning and enforcement of municipal by-laws
- Direct the traffic control function towards policing high risk violations – rather than revenue collection
- Metro police services should contribute by increasing police personnel, improving collaboration with the South African Police Service (SAPS) and ensuring rapid response to reported crimes

5. *Decent Employment through inclusive economic growth*

- Create an enabling investment environment by streamlining planning application processes
- Ensure proper maintenance and rehabilitation of essential services infrastructure
- Ensure proper implementation of the expanded public works programme (EPWP) at the municipal level
- Design service delivery processes to be labour intensive
- Improve procurement systems to eliminate corruption and ensure value for money
- Utilise community structures to provide services

6. *A skilled and capable workforce to support inclusive growth*

- Develop and extend intern and work experience programmes in municipalities
- Link municipal procurement to skills development initiatives

7. *An efficient, competitive and Responsive economic infrastructure network*

- Ring-fence water, electricity and sanitation functions so as to facilitate cost-reflective pricing of these services
- Ensure urban spatial plans provide for commuter rail corridors, as well as other public modes of public transport
- Maintain and expand water purification works and waste water treatment works in line with growing demand
- Assign the public transport function to cities
- Improve maintenance of municipal road networks

8. *Vibrant, equitable and sustainable rural communities and food security*

- Facilitate the development of local markets for agricultural produce
- Improve transport links with urban centres so as to ensure better economic integration
- Work with provinces to promote home production to enhance food security
- Ensure effective spending of grants for funding extension of access to basic services

9. *Sustainable human settlements and improved quality of household life.*

- Cities to work towards fulfilling the requirements to be accredited for the housing function
- Develop spatial plans to ensure new developments are in line with national policy on integrated human settlement

- Participate in the identification of suitable land for social housing
- Ensure capital budgets prioritise maintaining existing services and extending services

10. *A responsive and, accountable, effective and efficient local government system*

- Adopt IDP processes appropriate to the capacity and sophistication of the municipality
- Implement the community work programme
- Ensure ward committees are representative and fully involved in community consultation processes around the integrated development plan (IDP), budget and other strategic service delivery issues
- Improve municipal financial and administrative capacity by implementing competency norms and standards and acting against incompetence and corruption

11. *Protection and enhancement of environmental assets and natural resources*

- Develop and implement water management plans to prevent water losses
- Ensure effective maintenance and rehabilitation of infrastructure
- Run water and electricity saving awareness campaigns
- Ensure proper management of municipal commonage and urban open spaces
- Ensure development does not take place on wetlands and other sensitive areas

12. *A better South Africa, a better and safer Africa and world*

- Role of local government is fairly limited in this area. It must concentrate on:
- Ensuring basic infrastructure is in place and properly maintained
- Creating an enabling environment for investment

13. *A development orientated public service and inclusive citizenship*

- Continue to develop performance monitoring and management systems
- Comply with legal financial reporting requirements
- Review municipal expenditures to eliminate wastage
- Continue to implement the municipal turn-around strategies
- Ensure councils behave in ways to restore community trust in local government

a. Revising rates, tariffs and other charges

When municipalities revise their rates, tariffs and other charges for their 2012/13 budgets and MTREF, they need to take into account the labour (i.e. the wage agreements with unions) and other input costs of services provided by the municipality or entity, the need to ensure financial sustainability, local economic conditions and the affordability of services, taking into consideration the municipality's indigent policy. Municipalities should also take note that tariffs may only be implemented from the start of the financial year.

b. Funding choices and management issues

While the budget must reflect the political priorities of the current council, it is equally important that the current council ensure that the budget for 2012/13 is properly funded, and improves the financial sustainability of the municipality over the medium term.

Therefore priority ought to be given to:

- Ensuring that drinking water meets the required quality standards at all times;

- Protecting the poor from the worst impacts of the slow recovery in the labour market;
- Supporting meaningful local economic development (LED) initiatives that foster micro and small business opportunities and job creation;
- Securing the health of their asset base (especially the municipality's revenue generating assets) by increasing spending on repairs and maintenance; and
- Expediting spending on capital projects that are funded by conditional grants.

c. Budget submissions for the 2012/2013

The tabled and approved budget must be submitted in terms of Section 22 (b)(i) and Section 24(3) of the MFMA respectively read together with regulation 20 (1)

d. Headline inflation forecasts.

Fiscal year	2010/11	2011/12	2012/13	2013/14	2014/15
	Actual	Estimate	Forecast	Forecast	Forecast
Headline CPI Inflation	3.8 %	5.7 %	5.9%	6.2 %	5.9 %

Source: Budget Review 2012

e. Matters relating to SALGA

The period of the *Salary and Wage Collective Agreement 2009/10 to 2011/2012* has come to an end. In the absence of other information from the South African Local Government Bargaining Council, municipalities are advised by National Treasury to budget for a 5 per cent cost-of-living increase adjustment, to be implemented with effect from July 2012. However SALGA has now received wage demands from trade unions with one of the demands being 15% or R 2 000.00 (whichever is greater) across the board increase for all employees falling under the registered scope of SALGBC. Whilst the salary and wage negotiations are still underway the municipality has now made a provision of 7% for the salary and wage increase. The municipality has also reduced the number of requests for new personnel as tabled in draft budget on 29 March 2012 from R 2 462 334.02 to R 2 031 822 as a means to respond to other service delivery priority issues.

f. Proposed Tariff increases 2012/13

Assessment Rates:	10%
Electricity:	11.03 %
Sewerage:	10 %
Water (Consumption):	10 %
Water (Basic Charge):	10 %
Cleansing:	10 %

Other income:

10 %

The average increase of tariffs will thus be 10%. The 10% increase on consumption of water is due to its scarcity of water and the high increase of costs for maintaining water and waste water purification plants. The municipality also strives at encouraging the community to preserve water as it is a scarce natural resource. Nersa has guided for electricity tariffs to be increase by 11.03% for municipal tariff review process whilst bulk purchase has been increased by 13.50% in line with Eskom's tariff increase.

When determining the tariff increase the municipality did not align the increase with the current CPI however it has taken into consideration its unique circumstances as follows:

- The cost of rendering services, repairs and maintenance of dilapidating infrastructure and renewal backlogs that exist in relation to municipal, infrastructure particularly, municipalities' electricity, water reticulation, sewage and storm water and roads systems. All these repairs & maintenance infrastructure needs regular and timeous response by the municipality.
- The municipality also took into account the labour and other input costs of services provided by the municipality.
- The need to ensure financial sustainability, local economic conditions and the affordability of services, taking into consideration the municipality's indigent policy

It is noted that these backlogs are impacting negatively on the financial sustainability of the municipality and on the reliability and quality of municipal services, as well as municipalities' contribution to supporting economic growth.

Therefore the tariffs will increase with effect from 01 July 2012 as indicated above.

g. Provision for Bad Debts

A provision for Bad Debts is made for 2012/13 to the amount of R 2,355,402.00

h. Capital Budget Summary

A summary of the proposed capital budget is set as follows:

Source of Funding:	Budget 2011/12 Current	Budget 2012/13	Budget 2013/14	Budget 2014/15
MIG	R 13,131,000.00	R 15,929,000.00	R 16,803,000.00	R 17,774,000.00
Nkangala	R 10,060,000.00	R 10,930,000.00	R 11,586,000.00	R 12,165,300.00
Internally funded	R1,141,117.00	R 1,652,921.00	R 1,735,567.00	R 1,822,345.00
TOTAL:	R 24,332,117.00	R 28,511,921.00	R 30,124,567.00	R 31,761,645.00

A detailed project list is attached with the budget documentation. Funding from Nkangala based on the 2011/2012 budget forecast has now been confirmed.

In terms of Circular 27 from National Treasury only capital projects from which funding has been secured may be included in the Capital budget. Therefore it must be noted that the available funding caters for only the above projects.

i. Anchor Projects

- High Altitude Centre in Belfast with budget of more than R200 million.
- Boarding School in Entokozweni with budget of more than R18 million.
- Integrated Human Settlement in Siyathuthuka at more than R67 million.
- Belfast Boulevard Development with budget of more than R25 million.
- Construction of Municipal Offices with budget of more than R45 million.
- WB Noka housing project with budget of more than

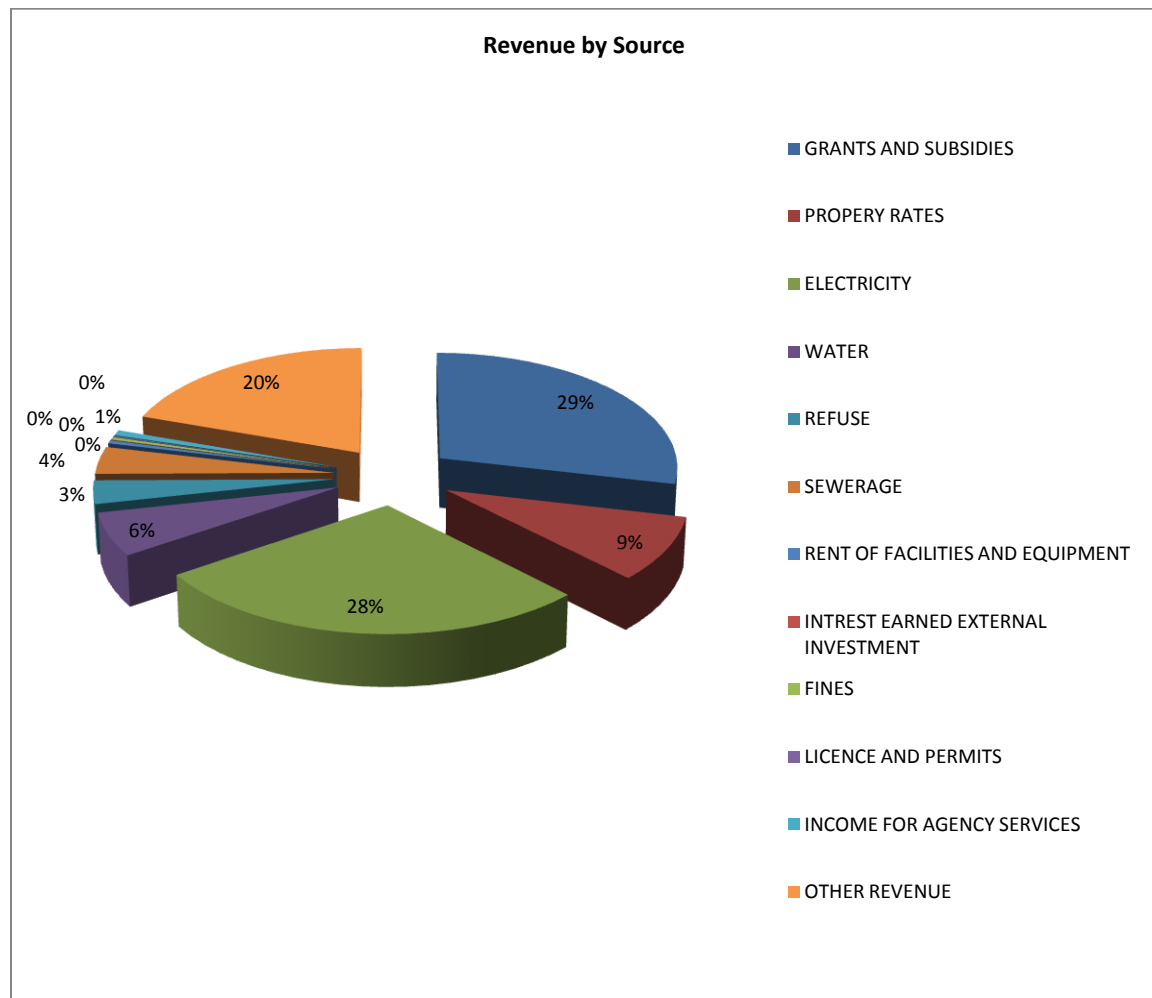
j. Operating Revenue Framework

Total Budgeted Revenue

Description	Original Budget 2011/2012	Adjustment 2011/2012	% of Budget	Budget 2012/13	% of Budget	Forecast 2013/2014	Forecast 2014/2015
Grants And Subsidies	47,903,000	44,855,000	25%	54,877,000.00	34%	57,728,000.00	62,140,000.00
Property Rates	14,993,822	25,000,000	14%	25,994,372.00	16%	25,994,372.00	25,994,372.00
Electricity	46,853,516	46,853,516	26%	37,989,458.77	23%	37,989,458.77	37,989,458.77
Water	10,069,817	10,069,817	6%	11,076,799.00	7%	11,076,799.00	11,076,799.00
Refuse	5,466,555	5,466,555	3%	7,031,435.00	4%	7,031,435.00	7,031,435.00
Sewerage	6,392,214	6,392,214	4%	6,013,211.00	4%	6,013,211.00	6,013,211.00
Rent Of Facilities And Equipment	732,880	732,880	0%	660,917	0%	660,917.00	660,917.00
Interest Earned External Investment	41,400	41,400	0%	35,868	0%	35,868.00	35,868.00
Fines	600,850	602,350	0%	601,850	0%	601,850.00	601,850.00
License And Permits	211,610	211,610	0%	300,080	0%	300,080.00	300,080.00
Income For Agency Services	1,254,500	1,254,500	1%	1,130,200	1%	1,130,200.00	1,130,200.00
Other Revenue	32,861,215	35,403,115	20%	17,399,073	11%	17,399,073.00	17,399,073.00
TOTAL OPERATING REVENUE GENERATED	167,381,379	176,882,957	100%	163,110,264	100%	171,372,928	181,467,174
Less Revenue Foregone	5,742,769	5,435,331		5,389,303		6,087,815	5,941,707

TOTAL DIRECT OPERATING REVENUE	161,638,610	171,447,626		157,720,961		165,714,159	175,525,467
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The total estimated revenue for 2012/2013 financial year is **R 157,720,961** and the sources are summarized as follows:



i. Grants

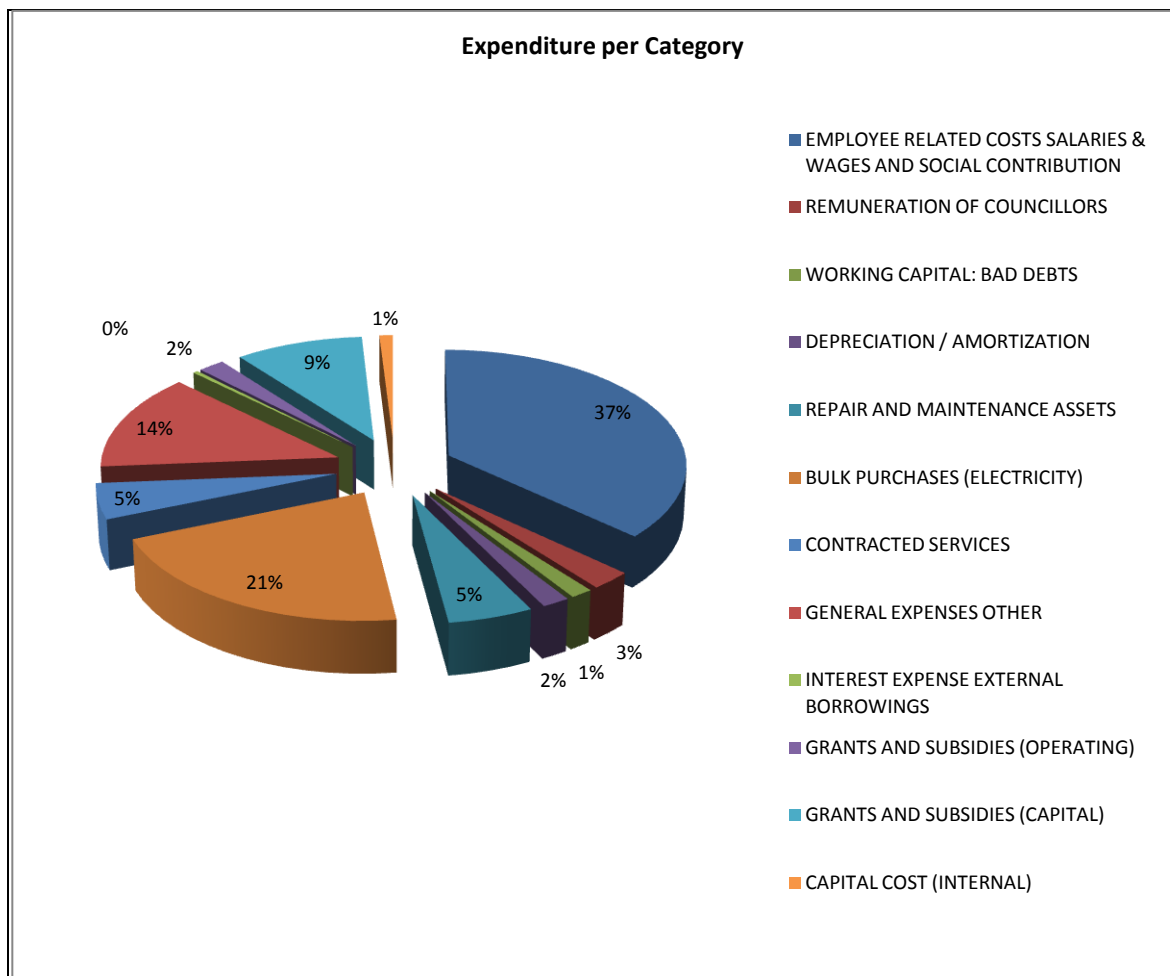
The Division of Revenue Act for the 2011/12 has been allocated as follows:

	2011/2012	2012/2013
1. Equitable Share	R 31,562,000.00	R 35,648,000.00
2. Financial Management Grant	R 1,250,000.00	R 1,500,000.00
3. Municipal Infrastructure Grant	R 13,131,000.00	R 15,929,000.00
4. Municipal Systems Infrastructure Grant	R 790,000.00	R 800,000.00
5. Public Works Programme Incentive Grant	R 536,000.00	R 1,000,000.00
6. National Electrification Programme Grant	R 634,000.00	R -
Total	R 47,903,000.00	R 54,877,000.00

h. Operating Expenditure Framework

The total expenditure projected for 2012/2013 financial is R 168,380,784 which is related to cash items. The overall non-cash items resulted to a deficit of R 10,659,822

Description	Original Budget 2011/2012	Adjustment 2011/2012	% of Budget	Budget 2012/13	% of Budget	Forecast 2013/2014	Forecast 2014/2015
Employee Related Costs Salaries & Wages And Social Contribution	61,789,615	61,766,619	36%	62,067,616	37%	65,170,996.85	68,429,547
Remuneration Of Councillors	3,977,322	4,194,322	2%	4,321,681	3%	4,537,765	4,764,653
Working Capital: Bad Debts	2,243,240	2,243,240	1%	2,355,402	1%	2,473,172	2,596,830
Depreciation / Amortization	0	2,915,119	2%	2,915,119	2%	3,060,874	3,213,917
Repair And Maintenance Assets	9,226,011	9,549,291	6%	8,950,689	5%	10,525,976	12,235,577
Bulk Purchases (Electricity)	25,979,680	30,979,680	18%	35,161,937	21%	36,920,034	38,766,036
Contracted Services	6,246,347	8,210,117	5%	8,383,228	5%	8,802,389	9,242,509
General Expenses Other	23,408,253	23,925,558	14%	22,723,947	13%	23,860,144	25,053,101
Interest Expense External Borrowings	2,443,991	2,443,990	1%	619,244	0%	650,206	682,717
Grants And Subsidies (Operating)	3,210,000	2,674,000	2%	3,300,000	2%	2,370,000	2,700,000
Grants And Subsidies (Capital)	13,131,000	13,131,000	8%	15,929,000	9%	16,803,000	17,774,000
Capital Cost (Internal)	1,141,177	572,716	0%	1,652,921	1%	1,735,567	1,822,345
Capital Cost Refurbishment	8,841,974	8,841,974	5%				
Total Operating Expenditure	161,638,610	171,447,626	100%	168,380,784	100%	176,910,124	187,281,232
Operating Surplus/(Deficit)	0	0		-10,659,822		-11,195,966	-11,755,764



j. Budget Consultation Meetings

Budget Consultation meeting were held throughout all the wards in the month of April and May 2012. Furthermore a notice was issued that invites comments for community and all stakeholders after having perused the budget and supporting documentation available in all municipal offices and website. The consultation was also based on the proposed tariffs for the new financial year which is 12% for property rates, 12% for service charges and 11.3% as guided by Nersa giving an average increase of 11.88%. The community proposed for tariff increase as follows:

Siyathuthuka

Ward 2: Assessment rates 6%, service charges 6% and electricity 11.3%

Ward 1: As proposed, assessment rates 12% and Service charges 12%

Ward 3: No objections were made with regards to tariff increase.

Emakhazeni (Belfast)

Ward 8: Approximately 6% for assessment rates & services charges and electricity 11.3%

Dullstroom

Ward 4: As proposed, assessment rates 12% and Service charges 12%

Sakhelwe

Ward 4: As proposed, assessment rates 12% and Service charges 12%

Emthonjeni

Ward 6:

Assessment rates and service charges 9% and Electricity 11.3%

Emgwenya

Ward 7:

Assessment rates 6%, Service charges 5% and Electricity 11.3%

The community further raised the following issues

WARD 1 (RURAL AREAS) ISSUES RAISED 22 APRIL 2012	RESPONSES
Drilling of boreholes must be done 90 meters below the surface ground	Specifications will be forwarded to NDM and cost implications shall be made available to Councillor in order to empower the community.
PMU must monitor all projects	The projects are being monitored by PMU, however, we need to strengthen the functionality of a project steering committee.
Mr Masango requested the Council to provide him with an electrical cable (300m) that will pump the water from the borehole there	Due to budgetary constraints this matter must be properly budgeted for 2012/2013
ELM should make a follow up on the Dududu project only two buckets are supplied by the bore hole there	If it is an existing borehole by previous contractor, there should be a re-drilling of the area in the new project cycle.
It was proposed that all the broken windmills at Dududu need to be fixed and intervention with the farm owners need to take place	Farm owners were requested to assist with the fixing of the windmills. There is no operation and maintenance budget for the windmills as no cost recovery is implemented on farms
Residents from Leeubank want to extend their site or yard	The farm owners are the only authority to grant permission for a tenant to extend his/her yard.
Need approval letter to install electricity Mam Shabangu	Eskom will be engaged again on the 15

Need grazing land	Beneficiaries should register on the Land Affairs data base for purchasing of farms
Mathula stand need electric pump for the wind mill that is already there but broken	Currently the municipality do not have the budget for maintenance of windmills and pumps; however maintenance plan has been developed.
Rose farm: cattle drink dirty water and the grazing land is like a sewer plant	The matter should be investigated and Land Affairs be engaged to find a suitable condition
Sunbury (Paardeplaats) needs Jojo tanks	They will be put on the priority list for the installation of jojo tanks when they are available
Transnet wants to sell houses and residents wants the Municipality to buy for them	Municipality does not buy houses for people only banks have financial programmes for purchasing houses for people
Magane Farm still waiting for the Land Claim commission concerning land claims	They should liaise with our technical Services, so that we get full information in order to engage the Departments
WARD 3 ISSUES RAISED 3 MAY 2012	RESPONSES / COMMENTS
The community would like to know how the funds for the current financial year were used as per the annual financial statements and the annual report	For the detailed spending on the budget community members are invited to peruse the draft budget 2012/2013 that are distributed in different municipal offices and municipal website for comments as it reflects the audited outcomes for 2010/2011 financial year.
Why was the bus route not completed	Contractor was terminated
The R1.4m cost for rebuilding the Siyathuthuka Municipal offices was too high and unjustified	The building was insured no money was transferred into the municipal bank account. It was all administered by the insurance company.
The municipality must specify what is covered under "others" on the budget agenda as cost can only be classified as capital or operational	It should be noted that the budget presented in the consultation meetings is a summary of the detailed budget which is available for perusal. Other falls within an operational budget. For example: Other Revenue: New connections, subdivision, building plan fees, valuation & clearance certificate, sale of stands etc. Other Expenditures: Fuel & Oil, Chemicals, Printing & Stationery, purchase of electricity,

	telephone etc.
How will the electricity tariffs increase	The tariff increase is 11.03% as regulated by NERSA.
Municipality must explain how it will deal with the R2.9 million Dullstroom rates debt	Currently we are sending letters of demand and we have appointed a debtor collection company that is dealing with the issue of Dullstroom
Why has the contractor built 576m instead of the initial understanding of 700m scope of works	Budget only allows for 576m
Training in dump trucks and loader driving	The surrounding mines to be approached on internship programme
Prioritizing of Sizweni and Nazareen streets	To be included in the IDP
Prioritizing of Phumuleni, Fox, Mahlangu streets for the next financial year	Must be prioritise through IDP forum
To request the mine near Poolze to employ local labour and to give back profits to the community	The mine was engaged and they indicated that they have employed some of their employees from local and they permitted to do some boreholes for the community
Community wants to know the name of the service provider for the park and the budget of the project Alfred Mahlangu Park	The Park was done by a youth company called Matswa Trading Enterprise
WARD 7 ISSUES RAISED 24 APRIL 2012	RESPONSES / COMMENTS
Elands kraans was re advertised there's hear say that the developer will start soon and they don't call community participation meetings, so that the community may know exactly what they are going to do	This is a WB Noka project and was presented to the Community in Emgwenya
What criteria is used for the installations of geysers	The installation of geysers is aimed at every S.A Citizen which proof of paying services for the municipality, however due to the limited budget from Eskom they are starting with RDP with water connections inside.
Is the total increase of electricity 11.3%	Yes, as guided by Nersa.
There are government departments that are not paying municipal rates like Transnet, Social Services etc. What is the Municipality doing about this matter	Regular follow ups are being made with government departments for payments of services. The departments are paying and those that are not paying the municipality disconnect services like electricity.
Who is to comply with trade licenses	All hawkers and street traders who do businesses within the jurisdiction of the

	Municipality. For more information they must visit the Senior Environmental Practitioner
Previous occupants of Emgwenya hostel, where will they stay?	A meeting was held with the occupiers of the hostels where it was agreed that land parcels will be made available for their RDP houses
What is the building inspector saying about the buildings that are not built according to the building regulations? Does the building inspector visit these sites?	Yes they do, however should a specific problem be encountered the members of the Community are free to report matter to the Municipal Manager
How does the municipality expect the community to pay for rates, whereas most of the community members are unemployed	Indigent policy helps those that are not working
WARD 1 (EXTENSION 3) ISSUES RAISED 18 APRIL 2012	RESPONSES
What is the municipality planning to do about the incomplete bus road at extension 3	To complete the road in due course
The solar geysers pipes have not been connected in other houses	They will be connected as soon as the material is available.
The budget of the paving of Khayalami street is complicated	Noted
Why has the solar geysers not been installed according to stand numbers	A criteria is followed
The municipality has budgeted 1.4 million for the re-building of the municipal offices in Siyathuthuka. How much of the money is left over?	The building was insured no money was transferred into the municipal bank account. It was all administered by the insurance company
Why does the municipal cashiers/ officials refuse to sell electricity to us if we haven't paid for services	The municipality has a debt management policy which guides cashier and officials on what procedures to follow when selling electricity. One being paying full current account before purchasing electricity. Hence no electricity will be sold to consumers who have not paid current account in full.
WARD 6 (RURAL AREAS) ISSUES RAISED 22 APRIL 2012	RESPONSES
Farm owners don't want to sign consent forms	Name of such farmers must be reported to Human Rights Commission for action
Notices for meetings arrived late	The municipality takes note of the problem and we will ensure that all notices are issued on time

Farm residing children have school transport problems	Boarding School will be established in Entokozweni to eliminate such problems.
Their roads are in a bad condition	Roads Department will be requested to assist with grading
Community members had to walk to get to the meeting because of the non arrival of transport	A challenge emanated between the transport co-ordinator and a local service provider and such a challenge will be attended to
WARD 2 (RURAL AREAS) ISSUES RAISED 22 APRIL 2012	RESPONSES
R6 million is too little for the farm residents, they require more funds	The only budget allocation made per year allows for specific boreholes and VIP toilets to be installed.
Their boreholes are broken	Maintenance plan developed however, it need to be cash backed.
Budget should cover everybody and not favour	The budget is prioritised after the review of the IDP. All needs are important however it must be noted that we have limited resources.
Cattle are dying due to lack of grazing	Noted
They need toilets	To be prioritised in the IDP
WARD 6 ISSUES RAISED	RESPONSES
Why is the municipality charging residents for graves, while the gravesites are not even fenced	The Municipality charges for maintenance of the graves, labour and equipment used (digging of graves), however, graves will be fenced as the municipality has the municipality has engaged with its social partner in this regard
Community requested that the rates be raised by 9% instead	Noted
WARD 8 ISSUES RAISED	RESPONSES
Projects not allocated for extension 3	This will be dealt with long term planning
Roads extension 3	There is not budget for next financial year 2012/2013
Speed hump in Duggan Street	No budget for 2012/2013 financial year
Street lights in town (Emakhazeni)	The municipality has already started with street light maintenance
Road from police station to the 3 way stop	Public works is in the process of appointing a contractor

Finishing of Hospital	That is the issue of Department of Health
Vending machines	The municipality is in a process of installing the afterhours vending
Municipal by-laws	Municipal by laws have been approved by Council, however, there is still a challenge on promulgation of some by laws
Increase of tariff while the town is deteriorating	The municipality have to increase a tariff for the municipality to continuous supply electricity and other services
Public toilets should be built for the community	The municipality has public toilets at the taxi rank
Proper market for street trading	Not on the budget for 2012/2013
Ward 2 Issue Raised	Response / Comment
A clarity was asked for a tariff on building plan fees	Every community member erecting a tombstone must submit a plan for the tombstone which must be approved before affecting such.
The person doing loud hailing does not render effective services which result in poor attendance of the meetings	Training will be conducted for the people who do loud hailing for us as a way of improving in that regard
Municipal services amounting to more than R 160.00 as reflected in the tariff list.	Monthly services amounting to more than the R 160.00 are mainly due to the consumption of water. However consumers are encouraged to visit municipal offices for clarification or explanation of their accounts.
High mast lights that do not switch automatically, they run during the day as well.	The municipality has ordered contactors which are the cause of the problem and we are awaiting delivery
Roads that are not completed for year 2011/2012 must be completed before 30 th June 2012.	The contractor is back on site and the road will be completed within this financial year
Stand 2324 has been requesting for installation of electricity but each time told that there is no material available.	The municipality has found that the house in question is a shack and the municipality must verify if it will not be hazardous to the residents of the house
Stand 56 and other community members with common challenge request for the installation of proper prepaid meters that the ones they are currently using which must be inserted by electricians. The electricians do not come in time for the inserting and they also cannot see if they run short of electricity. They only realise once the electricity goes off.	The replacement of meters was done, however due to budget constraints it could not cover all households. It is an ongoing process. In the meantime electricians will be advised to attend to these queries on a daily basis.
Will there be job opportunities created for the youth with the implementation of the projects for the financial year 2012/2013?	Yes, every intervention will create job opportunities

The budget indaba was held on the 10 May 2012 where further issues were raised by members of the public and stakeholders.

BUDGET INDABA – 10 May 2012 ISSUES RAISED	
Not satisfied with the budget process as written comments submitted by the Emakhazeni Good Governance Forum (EGGF) were not responded to at the time of hold the budget indaba on the 10 May 2012.	A letter acknowledging receipt was forwarded to the EGGF and it was further indicated that the municipality will respond by the 17 May 2012.
Public participation meeting did not proceed in Watervalboven due to only a few people attending the scheduled meeting.	Members of community must still use the budget indaba consultation meeting to raise issues with regards to the budget as it also forms part of the public participation process.
The tariff increase of electricity to benchmarked with inflation.	Nersa regulates the electricity tariff increase.
Tariff increase should be 5%.	The municipality notes the proposal; however it is very important for the community to also take note that the cost of delivering services in Emakhazeni still remains a challenge due to the vastness of the area, low allocation of equitable share and culture of non-payment by consumers.
Electricity cut off are not consistent, other people owing money are not being cut by the municipality.	The municipality has appointed two electricians who are designated to finance department for implementation of credit control policy this will address the inconsistency in cutting off electricity as it caters for the shortage of electricians the municipality has.
Internal funding for capital projects has dropped as compared to the current financial year.	The municipality did not generate its revenue as anticipated as a result the capital expenditure was adjusted downward in the approved adjustment budget. Hence the trend has been used to provide for the capital expenditure in the next financial year.
No Anchor project has been allocated for Dullstroom.	The comment is noted.
Ward 4 supports the 12% tariff increase to better our community.	The comment is noted.
Letters of consumer enquiries are not being responded to by council.	The departments are going to include in their procedure manual the turnaround time in responding to enquiries.
Invitations of meeting were not forwarded to other stakeholders (Farmer's Forum) it was hear say that they learnt about the meeting. The meeting is also no longer convening Farmer's Forum meeting.	An apology is extended by the council and will improve the channels of communication with all stakeholders and further convened a Farmer's Forum meeting on the 23 May 2012.
Tariff on property rates are higher for farms than other categories.	The scheduled meeting will further deal with issues of MPRA with regards to farm dwellers.
Municipality must provide information on the investments of the municipality, municipal entity, annual report and previous financial year performance.	The municipality does not have any fixed investments (as it uses the limited resources at its disposal to render service delivery) nor does it have a municipal entity. The documents mentioned public documents as a result a public notice was issued for approval annual report and it's published in the municipal website also available in municipal offices. The annual financial statements are also published in the municipal website for perusal by members of the public.

The municipal tariffs on property rates are higher as compared to metro municipalities. A detailed demonstration was presented by a ratepayer.	An engagement with rate payers will be scheduled to discuss further MPRA issues however the it must be noted the MPRA must contribute to financial stability of municipalities and a comparison of same grade municipality as ELM must be demonstrated in further engagements,
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Written Comments on the budget process

The municipality received written comments from Emakhazeni Good Governance Forum for which a letter acknowledging receipt was sent and Responses forwarded in writing on 16 May 2012.

Emakhazeni Good Governance Forum Issues Raised	Response / Comments
General : Methodology used for the compilation of the budget and writing of bad debts	<p>The municipality uses a zero based budgeting approach where different departments within the municipality are invited to submit the budget inputs or proposals for the compilation of the budget. However the municipality takes into consideration past performance actual outcomes when prioritising or finalising proposed income and expenditure items.</p> <p>The municipality cannot have two debtors book, nor can it write off debt randomly without having ascertained that the debts are irrecoverable. However the municipality can provide for the outstanding debtors (already provided in the budget) where investigated irrecoverable debtors may be recommended to Council for write off.</p>
Rates, Services & Electricity	<p>Documents given to councilors are part of internal discussions before approval by council. The correct documents are the ones given to the public after the discussions which reflect 12%.</p> <p>Your comments are noted and will be considered when council approves the budget after taking everything into consideration.</p> <p>The increase cost of Eskom will be offset by the increase of electricity basic charges.</p> <p>Basic charge tariffs are informed by the level of maintenance and upgrading or replacement of old infrastructure to be carried out. Therefore the final tariff will be determined by the latter.</p>
Provision for bad debt	The outstanding debtors amounts to R 85 877 562 .48 as at April 2012, but if you compare this figure with outstanding debtors five years prior it reflects a

	<p>difference of R 37 570 287.08 which clearly indicates that 43.7% of the municipal outstanding debts are new debts (i.e. Accumulated for past five years). The municipality is going to write off the debts by phases and only after it has investigated and proved beyond reasonable doubt that the debts are irrecoverable. In a meantime the following measures are put in place: people are encouraged to pay for services, the enforcing of municipal debt management policy and engaging with Eskom and Nkangala District on the processes and possibilities of the municipality supplying electricity to Dullstroom and Sakhelwe. A cost recovery plan and reviewed revenue enhancement plan has been adopted by council which outlines strategies the municipality will engage in to maximize revenue. According to the municipality the budget is credible as it meets the requirements of section 18 of the MFMA. Furthermore National and Provincial Treasury have indicated that the budget and its documentation are credible.</p>
Equitable Share	<p>Please find attached the extract of the gazetted Division of Revenue Act 2012 which indicates that the Emakhazeni will be allocated R 35 648 000.00. It was gazette on the 7th of February 2012, gazette number 35022. What you have indicated in your comment is the current year's allocation which reflects the forecast for the next financial year and not the actual for 2012/2013.</p>
Staff Cost etc.	<p>The allocation of grants are part of the municipal budget therefore cannot be viewed separately as compilation of budget is guided by MFMA, its regulations and circulars</p> <p>The 2 462 334 relates to new personnel.</p> <p>The cost is included in overall salary budget of R61 million.</p> <p>The budget for the current year was based on appointment of interns fire brigade to fire fighters once they have undergone formal training. Therefore the budget for 2012/2013 does not include the salaries of fire fighters only interns.</p> <p>Please note that your comment is incorrect, refer to page 63 of the annual budget in our website.</p>
Vehicle account	<p>The amounts shown in the vehicle account relates to</p>

	repairs and maintenance of municipal vehicles for that particular function.
Parks and Grounds	<p>The interest amount that is shown under this function relates to the Wesbank loan that was sourced by the municipality in April 2007 for lease of service delivery vehicles for this function.</p> <p>Parks and grounds do not include forestry.</p>
Council and General	<p>Medical aid continued members – retired personnel of the municipality.</p> <p>Vehicle account is repairs and maintenance of the vehicles in this function.</p> <p>Toll gate fees relates to the fees paid by municipal vehicles when using the tollgate whilst travelling allowance forms part of salaries, wages and allowances.</p> <p>Membership and subscription is determined by SALGA calculated based on the total salary's budget.</p>
Cleansing	<p>Rehabilitation of dumping sites relates to maintenance of dumping sites of Entokozweni, Emgwenya, Emakhazeni and Dullstroom.</p> <p>Licence fees: vehicles relates to municipal vehicles in community services.</p>
Sewerage Services	The interest amount that is shown under this function relates to the Wesbank loan that was sourced by the municipality in April 2007 for lease of service delivery vehicles for this function.
Municipal Manager	<p>The municipality offers cellphone allowance to managers as one of the tools of trade. This allowance was reflected in the telephone vote previously and now is reflected separately from normal telephone.</p> <p>FMG: FMP Phase 3: is a Financial Management Grant given by National Treasury to assist in implementing the Financial Management Systems through appointment of financial management interns.</p> <p>MSIG: Implement Ward Committees: this is Municipal Systems Improvement Grant for implementation of ward committee programs.</p> <p>MSIG: Systems this is Municipal Systems Improvement Grant for procurement of effective municipal financial systems.</p>

	IT: Support Programme: This vote is for maintenance and improvement of municipal Information Communication Technology
TMT Expenses	TMT Project Expenses relates to the salaries and allowances of staff that are implementing Traffic Management Technologies as well as equipment to operate the function.

Provincial Treasury also submitted the written comments and further scheduled a meeting to discuss the matters raised in their report. Treasury was also accompanied by COGTA and DEDET.

Provincial Treasury	
Issues Raised	Response / Comments
Property Rates (Revenue forgone)	The municipality has installed Caseware software to fully implement the Municipal Budget and Reporting Regulation. This exercise was carried out between March and April 2012. the upload from Budget Plan to the Budget Schedules was not a 100% successful, as a result revenue forgone is not reflected in SA1. hence we are currently updating manually for the final approval.
Electricity	<p>One of the steps of budget process is strategizing where one of the key activities is to review past performance.</p> <p>The audited outcome on sale of electricity for year ended 2010/2011 amounted to R 28,446,094.04 whilst the budget was R 36,805,591.00. This was discussed extensively in the adjustment budget to determine the contributing factors that resulted in a low variance over the budgeted amount. A task team has been appointed to investigate contributing factors, which among them include theft of electricity.</p>
Water	The same scenario as it appears in property rates applies to this finding.
Sanitation	The same scenario applies. Furthermore the upload was not successful due to the mapping of votes with different names. For instance the Schedules refers to sanitation whilst budget plan reflects sewerage under waste water management.
Interest on investment account	The municipality has a call account and investment account. However to financial cashflow challenges and service delivery priorities we do not foresee

	<p>investing a specific amount over a specific period in the financial year 2012/2013.</p> <p>However as and when we do transfer money in these accounts we earn interest which we account for in that particular line item. This movement is then reported monthly in the CFA.</p> <p>Further more on the A-schedules the investment accounts were included under the line item "Cash" and not specifically shown separate as investment accounts, the classification will be done separately in future.</p>
Other revenue	<p>A breakdown of other income is attached hereto for perusal.</p> <p>This will further be discussed with Provincial Treasury on how best it can be disclosed or reflected.</p>
Debt Impairment	<p>The upload would be verified however further advice and guidance from Provincial Treasury is required.</p>
<p>Expenditure</p> <p>Employee Related Cost</p> <p>SA34</p>	<p>The uploaded figure has been verified and is being corrected manually for final approval of the budget.</p> <p>SA34 was not complete when the budget was tabled however it is being attended to for the final approval</p>

Furthermore National treasury forwarded a letter dated 14 May 2012. It provides a compliance checklist which Treasury has used to assess the level of compliance of the budget submission. The outcomes of the assessment was that the Schedule A of the Municipal Budget and Reporting Regulations has significant gaps which the municipality must still comply with and resubmit the budget documentation before final approval.

All issues raised will be considered and taken up for final adoption.

Conclusion

The MTREF for 2012/2013 – 2014/2015 has a deficit amounting to R 10,659,822 this is inclusive of non-cash items amounting to R 10,659,822.

The municipality must take all issues into consideration before the approval of the budget. The municipal department has already started addressing the level of non-compliance as assessed by National Treasury.

It is very important that the tariffs must be made public for 30 days before implementation by 01 July 2012.

RECOMMENDATIONS BY THE ACTING CHIEF FINANCIAL OFFICER

1. **That** The draft Medium Term Revenue and Expenditure Framework for 2012/13 – 2014/15 be approved with all budget tables A1 to A10.
2. **That;** the council approves the draft Medium Term Revenue and Expenditure Framework for 2012/13 – 2014/15 and all supporting documents and / tables SA1 to SA37 and the Accounting Officer to submit to Provincial and National Treasuries and other relevant departments
2. **That** the proposed budget request for new personnel be approved
3. **That** the proposed capital projects be approved
4. **That** the proposed tariffs of 11.3% for electricity as guided by Nersa be discussed considered and approved.
5. **That** the following proposed tariffs be approved;

Assessment Rates:	10%
Electricity:	11.03 %
Sewerage:	10 %
Water (Consumption):	10 %
Water (Basic Charge):	10%
Cleansing:	10 %
Other income:	10%
6. **That** the 7% salary increase be approved
7. **That** the budget deficit with regards to non-cash items be considered and approved.
8. **That** all issues raised have been considered the Medium Term Revenue and Expenditure Framework for 2012/2013 – 2014/2015 be approved before the start of the financial year.
9. **That** the tariffs be made public for a period of 30 days.
10. **That;** the final budget be approved by the 28th June 2012 in terms of section 24(2) (a-c) of the MFMA.

RECOMMENDATIONS BY THE MUNICIPAL MANAGER

1. **That;** the recommendations by the Acting CFO be accepted.

FOR CONSIDERATION

1.4 OPERATING REVENUE FRAMEWORK**MP314 Emakhazeni - Table A4 Budgeted Financial Performance (revenue and expenditure)**

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand	1										
Revenue By Source											
Property rates	2	8,882	11,006	16,162	12,134	22,140	–	–	23,520	24,696	25,931
Property rates - penalties & collection charges		–	–	–	–	–	–	–	–	–	–
Service charges - electricity revenue	2	14,756	21,592	28,446	44,303	44,610	–	–	35,406	37,177	39,035
Service charges - water revenue	2	6,134	6,451	8,363	9,738	9,738	–	–	10,745	11,282	11,846
Service charges - sanitation revenue	2	4,705	4,828	5,585	6,392	6,392	–	–	7,031	7,383	7,752
Service charges - refuse revenue	2	4,647	4,257	5,322	5,467	5,467	–	–	6,013	6,314	6,630
Service charges - other		–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment		578	620	471	733	733			661	694	729
Interest earned - external investments		196	133	23	41	41			36	38	40
Interest earned - outstanding debtors		0	–	–	–	–			–	–	–
Dividends received		–	–	–	–	–			–	–	–
Fines		214	344	394	601	602			602	632	664
Licences and permits		294	205	287	212	212			300	315	331
Agency services		445	557	1,067	1,255	1,255			1,130	1,187	1,246
Transfers recognised - operational		22,093	30,113	37,623	47,903	44,855			54,877	57,728	62,140
Other revenue	2	10,456	4,864	9,060	32,861	35,403	–	–	17,399	18,269	19,182
Gains on disposal of PPE		–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		73,399	84,968	112,803	161,639	171,448	–	–	157,721	165,714	175,525

1.5 OPERATING EXPENITURE FRAMEWORK

Expenditure By Type											
Employee related costs	2	29,629	33,976	53,246	61,451	61,428	–	–	62,068	65,171	68,430
Remuneration of councillors		3,088	3,452	3,447	3,977	4,194	–	–	4,322	4,538	4,765
Debt impairment	3	–	–	59,887	2,243	2,243	–	–	2,355	2,473	2,597
Depreciation & asset impairment	2	1,745	2,141	2,750	–	2,915	–	–	2,915	3,061	3,214
Finance charges		509	533	620	2,444	2,444	–	–	619	650	683
Bulk purchases	2	12,667	17,975	23,116	25,980	30,980	–	–	35,162	36,920	38,766
Other materials	8	4,819	6,229	6,559	9,226	9,539	–	–	8,948	10,523	12,232
Contracted services		2,916	3,029	3,679	3,900	5,364	–	–	5,516	5,792	6,081
Transfers and grants		2,818	1,877	1,535	16,341	15,805	–	–	19,229	19,173	20,474
Other expenditure	4, 5	22,407	19,134	20,556	36,076	36,536	–	–	27,247	28,609	30,040
Loss on disposal of PPE		–	565	160	–	–	–	–	–	–	–
Total Expenditure		80,599	88,912	175,557	161,639	171,448	–	–	168,381	176,910	187,281
Surplus/(Deficit)		(7,200)	(3,944)	(62,754)	0	–	–	–	(10,660)	(11,196)	(11,756)

1.6 CAPITAL EXPENDITURE

Capital Expenditure - Standard											
Governance and administration		26,759	11,712	11,582	22,214	-	-	-	16,619	17,528	18,535
Executive and council		10,430	11,472	11,238	22,214	-	-	-	16,229	17,118	18,105
Budget and treasury office		11,947	170	334	-	-	-	-	390	410	430
Corporate services		4,383	70	10	-	-	-	-	-	-	-
Community and public safety		7,506	7	1,816	-	-	-	-	140	147	154
Community and social services		3,154	7	816	-	-	-	-	-	-	-
Sport and recreation		2,536	-	500	-	-	-	-	-	-	-
Public safety		344	-	500	-	-	-	-	90	95	99
Housing		-	-	-	-	-	-	-	-	-	-
Health		1,472	-	-	-	-	-	-	50	53	55
Economic and environmental services		12,550	75	-	-	-	-	-	-	-	-
Planning and development		4,984	-	-	-	-	-	-	-	-	-
Road transport		7,566	75	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services		28,440	80	315	808	-	-	-	804	844	886
Electricity		16,983	-	75	113	-	-	-	260	273	287
Water		3,578	-	200	440	-	-	-	200	210	221
Waste water management		3,417	-	-	255	-	-	-	20	21	22
Waste management		4,462	80	40	-	-	-	-	324	340	357
Other		-	-	35	26	-	-	-	19	20	21
Total Capital Expenditure - Standard	3	75,255	11,874	13,748	23,048	-	-	-	17,582	18,539	19,596
Funded by:											
National Government		1,670	5,894	7,762	13,131	13,131	13,237	-	15,929	16,803	17,774
Provincial Government											
District Municipality											
Other transfers and grants											
Transfers recognised - capital	4	1,670	5,894	7,762	13,131	13,131	13,237	-	15,929	16,803	17,774
Public contributions & donations	5										
Borrowing	6										
Internally generated funds											
Total Capital Funding	7	1,670	5,894	7,762	13,131	13,131	13,237	-	15,929	16,803	17,774

1.7 ANNUAL BUDGET TABLES

Explanatory notes to Table A1 - Budget Summary

- Table A1 is a budget summary and provides a concise overview of the Municipality's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
- The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.
- Financial management reforms emphasises the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget.

MP314 Emakhazeni - Table A1 Budget Summary

Description	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousands										
Financial Performance										
Property rates	8,882	11,006	16,162	12,134	22,140	–	–	23,520	24,696	25,931
Service charges	30,241	37,127	47,717	65,900	66,207	–	–	59,196	62,156	65,263
Investment revenue	196	133	23	41	41	–	–	36	38	40
Transfers recognised - operational	22,093	30,113	37,623	47,903	44,855	–	–	54,877	57,728	62,140
Other own revenue	11,987	6,589	11,278	35,661	38,204	–	–	20,092	21,097	22,152
Total Revenue (excluding capital transfers and contributions)	73,399	84,968	112,803	161,639	171,448	–	–	157,721	165,714	175,525
Employee costs	29,629	33,976	53,246	61,451	61,428	–	–	62,068	65,171	68,430
Remuneration of councillors	3,088	3,452	3,447	3,977	4,194	–	–	4,322	4,538	4,765
Depreciation & asset impairment	1,745	2,141	2,750	–	2,915	–	–	2,915	3,061	3,214
Finance charges	509	533	620	2,444	2,444	–	–	619	650	683
Materials and bulk purchases	17,486	24,204	29,676	35,206	40,518	–	–	44,110	47,443	50,998
Transfers and grants	2,818	1,877	1,535	16,341	15,805	–	–	19,229	19,173	20,474
Other expenditure	25,323	22,728	84,283	42,220	44,143	–	–	35,118	36,874	38,718
Total Expenditure	80,599	88,912	175,557	161,639	171,448	–	–	168,381	176,910	187,281
Surplus/(Deficit)	(7,200)	(3,944)	(62,754)	0	–	–	–	(10,660)	(11,196)	(11,756)
Transfers recognised - capital	–	–	–	–	–	–	–	–	–	–
Contributions recognised - capital & contributed a	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(7,200)	(3,944)	(62,754)	0	–	–	–	(10,660)	(11,196)	(11,756)
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	(7,200)	(3,944)	(62,754)	0	–	–	–	(10,660)	(11,196)	(11,756)
Capital expenditure & funds sources										
Capital expenditure	75,255	11,874	13,748	23,048	22,214	–	–	17,582	18,539	19,596
Transfers recognised - capital	1,670	5,894	7,762	13,131	13,131	13,237	15,929	15,929	16,803	17,774
Public contributions & donations	–	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–	–
Internally generated funds	–	–	–	–	–	–	–	–	–	–
Total sources of capital funds	1,670	5,894	7,762	13,131	13,131	13,237	15,929	15,929	16,803	17,774
Financial position										
Total current assets	60,469	73,531	20,453	–	–	345,705	18,476	30,523	30,315	34,903
Total non current assets	19,540	23,263	33,168	–	–	398,016	33,168	62,750	63,750	64,250
Total current liabilities	24,557	46,225	65,781	–	–	669,393	44,613	35,557	39,229	43,725
Total non current liabilities	3,768	3,011	(0)	–	–	31,842	6,673	–	–	–
Community wealth/Equity	51,685	47,558	(12,160)	0	–	–	–	18,517	17,830	17,588
Cash flows										
Net cash from (used) operating	(5,519)	3,762	45,326	–	–	–	(2,562)	(5,271)	(5,537)	(5,814)
Net cash from (used) investing	(1,949)	(5,863)	(9,463)	–	–	(20,710)	(1,726)	–	–	–
Net cash from (used) financing	5,799	(486)	(1,961)	–	–	(981)	(981)	–	–	–
Cash/cash equivalents at the year end	(4,386)	(6,973)	26,929	–	–	(53,515)	(5,268)	(16,837)	(22,374)	(28,188)
Cash backing/surplus reconciliation										
Cash and investments available	(8,744)	(11,332)	(31,824)	–	–	(316,110)	(28,550)	96	99	105
Application of cash and investments	(93,796)	(47,895)	31,445	–	–	617,112	53,013	(14,244)	(11,240)	(12,499)
Balance - surplus (shortfall)	85,051	36,563	(63,268)	–	–	(933,222)	(81,563)	14,340	11,339	12,604
Asset management										
Asset register summary (WDV)	1,080	1,156	1,002	–	–	12,023	–	–	–	–
Depreciation & asset impairment	1,745	2,141	2,750	–	2,915	–	2,915	2,915	3,061	3,214
Renewal of Existing Assets	686	1,149	1,153	1,247	1,327	–	–	1,173	1,232	1,293
Repairs and Maintenance	–	–	–	–	–	–	–	–	–	–
Free services										
Cost of Free Basic Services provided	–	0	0	0	–	–	–	–	–	–
Revenue cost of free services provided	3,062	3,342	10,606	7,483	7,857	8,250	13,208	13,208	13,868	14,562
Households below minimum service level										
Water:	1	1	1	1	1	1	1	1	1	1
Sanitation/sewage:	–	–	–	–	–	–	–	–	–	–
Energy:	–	–	–	–	–	–	–	–	–	–
Refuse:	1	1	3	3	3	3	3	3	3	3

Explanatory notes to Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

1. Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional areas which enables the National Treasury to compile 'whole of government' reports.

MP314 Emakhazeni - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand	1									
Revenue - Standard										
<i>Governance and administration</i>		33,032	41,723	56,522	82,060	96,401	—	90,842	96,541	102,894
Executive and council		31,585	40,957	53,879	72,087	79,326	—	79,985	85,142	90,924
Budget and treasury office		1,447	766	2,643	9,973	17,075	—	10,857	11,400	11,969
Corporate services		—	—	—	—	—	—	—	—	—
<i>Community and public safety</i>		154	396	1,572	320	286	—	250	262	275
Community and social services		68	317	59	80	47	—	55	58	60
Sport and recreation		86	79	170	209	209	—	185	194	204
Public safety		—	—	1,343	30	30	—	10	11	11
Housing		—	—	—	—	—	—	—	—	—
Health		—	—	—	—	—	—	—	—	—
<i>Economic and environmental services</i>		9,943	5,483	6,252	9,543	9,056	—	9,172	8,580	9,009
Planning and development		636	161	345	744	257	—	1,288	302	317
Road transport		9,307	5,322	5,907	8,799	8,799	—	7,884	8,278	8,692
Environmental protection		—	—	—	—	—	—	—	—	—
<i>Trading services</i>		32,615	37,366	48,457	75,458	71,140	—	62,847	65,989	69,289
Electricity		15,993	21,808	29,174	53,446	49,127	—	38,633	40,565	42,593
Water		7,242	6,460	8,357	10,105	10,105	—	11,115	11,671	12,255
Waste water management		4,734	4,841	5,604	6,418	6,418	—	7,060	7,413	7,784
Waste management		4,647	4,257	5,322	5,489	5,489	—	6,038	6,340	6,657
<i>Other</i>	4	—	—	—	—	—	—	—	—	—
Total Revenue - Standard	2	75,744	84,968	112,803	167,381	176,883	—	163,110	171,373	181,467
Expenditure - Standard										
<i>Governance and administration</i>		32,818	31,022	104,741	74,216	80,171	—	70,430	74,384	78,476
Executive and council		16,736	12,871	78,946	45,908	47,568	—	35,567	37,823	39,875
Budget and treasury office		11,752	12,394	18,099	19,837	24,332	—	26,537	27,819	29,421
Corporate services		4,330	5,757	7,697	8,471	8,271	—	8,326	8,743	9,180
<i>Community and public safety</i>		7,506	9,019	10,762	13,732	13,437	—	12,498	13,123	13,779
Community and social services		3,154	4,165	4,903	5,796	5,584	—	5,441	5,713	5,999
Sport and recreation		2,536	2,761	3,037	4,403	4,268	—	4,075	4,278	4,492
Public safety		344	895	1,252	1,936	1,936	—	1,557	1,635	1,717
Housing		—	—	—	—	—	—	—	—	—
Health		1,472	1,198	1,570	1,597	1,647	—	1,425	1,496	1,571
<i>Economic and environmental services</i>		12,431	12,490	16,082	20,630	20,086	—	21,017	21,018	22,069
Planning and development		4,984	7,249	8,886	10,229	9,685	—	10,913	10,408	10,929
Road transport		7,447	5,242	7,197	10,401	10,401	—	10,104	10,610	11,140
Environmental protection		—	—	—	—	—	—	—	—	—
<i>Trading services</i>		29,975	36,380	43,408	58,091	62,488	—	63,715	67,628	72,163
Electricity		17,482	22,968	28,288	37,896	42,588	—	42,872	45,016	47,267
Water		4,613	3,486	4,634	5,994	5,989	—	6,070	7,101	8,609
Waste water management		3,417	4,399	3,958	5,089	5,119	—	5,955	6,253	6,565
Waste management		4,462	5,528	6,528	9,112	8,792	—	8,818	9,259	9,722
<i>Other</i>	4	214	—	564	712	702	—	721	757	795
Total Expenditure - Standard	3	82,944	88,912	175,557	167,381	176,883	—	168,381	176,910	187,281
Surplus/(Deficit) for the year		(7,200)	(3,944)	(62,754)	—	—	—	(5,271)	(5,537)	(5,814)

Explanatory notes to Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

1. Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organisational structure of the Municipality. This means it is possible to present the operating surplus or deficit of a vote.

MP314 Emakhazeni - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand										
Revenue by Vote	1									
Vote 1 - EXECUTIVE & COUNCIL		31,585	40,957	53,879	72,087	79,326	–	79,985	85,142	90,924
Vote 2 - FINANCE & ADMIN		1,447	766	2,643	9,973	17,075	–	10,857	11,400	11,969
Vote 3 - PLANNING & DEVELOPMENT		636	161	345	744	257	–	1,288	302	317
Vote 4 - HEALTH		–	–	–	–	–	–	–	–	–
Vote 5 - COMMUNITY & SOCIAL SERVICES		68	317	59	80	47	–	55	58	60
Vote 6 - PUBLIC SAFETY		–	–	1,343	30	30	–	10	11	11
Vote 7 - SPORT & RECREATION		86	79	170	209	209	–	185	194	204
Vote 8 - WASTE MANAGEMENT		4,647	4,257	5,322	5,489	5,489	–	6,038	6,340	6,657
Vote 9 - WASTE WATER MANAGEMENT		4,734	4,841	5,604	6,418	6,418	–	7,060	7,413	7,784
Vote 10 - ROAD TRANSPORT		9,307	5,322	5,907	8,799	8,799	–	7,884	8,278	8,692
Vote 11 - WATER		7,242	6,460	8,357	10,105	10,105	–	11,115	11,671	12,255
Vote 12 - ELECTRICITY		15,993	21,808	29,174	53,446	49,127	–	38,633	40,565	42,593
Vote 13 - OTHER		–	–	–	–	–	–	–	–	–
Vote 14 -		–	–	–	–	–	–	–	–	–
Vote 15 -		–	–	–	–	–	–	–	–	–
Total Revenue by Vote	2	75,744	84,968	112,803	167,381	176,883	–	163,110	171,373	181,467
Expenditure by Vote to be appropriated	1									
Vote 1 - EXECUTIVE & COUNCIL		16,736	12,871	78,946	45,908	47,568	–	35,567	37,823	39,875
Vote 2 - FINANCE & ADMIN		16,082	17,720	25,796	28,308	32,603	–	34,863	36,561	38,601
Vote 3 - PLANNING & DEVELOPMENT		4,984	7,249	8,886	10,229	9,685	–	10,913	10,408	10,929
Vote 4 - HEALTH		1,472	1,198	1,570	1,597	1,647	–	1,425	1,496	1,571
Vote 5 - COMMUNITY & SOCIAL SERVICES		3,154	4,165	4,903	5,796	5,584	–	5,441	5,713	5,999
Vote 6 - PUBLIC SAFETY		344	895	1,252	1,936	1,936	–	1,557	1,635	1,717
Vote 7 - SPORT & RECREATION		2,536	2,761	3,037	4,403	4,268	–	4,075	4,278	4,492
Vote 8 - WASTE MANAGEMENT		4,462	5,528	6,528	9,112	8,792	–	8,818	9,259	9,722
Vote 9 - WASTE WATER MANAGEMENT		3,417	4,399	3,958	5,089	5,119	–	5,955	6,253	6,565
Vote 10 - ROAD TRANSPORT		7,447	5,242	7,197	10,401	10,401	–	10,104	10,610	11,140
Vote 11 - WATER		4,613	3,486	4,634	5,994	5,989	–	6,070	7,101	8,609
Vote 12 - ELECTRICITY		17,482	22,968	28,288	37,896	42,588	–	42,872	45,016	47,267
Vote 13 - OTHER		214	431	564	712	702	–	721	757	795
Vote 14 -		–	–	–	–	–	–	–	–	–
Vote 15 -		–	–	–	–	–	–	–	–	–
Total Expenditure by Vote	2	82,944	88,912	175,557	167,381	176,883	–	168,381	176,910	187,281
Surplus/(Deficit) for the year	2	(7,200)	(3,944)	(62,754)	–	–	–	(5,271)	(5,537)	(5,814)

Explanatory notes to Table A4 - Budgeted Financial Performance (revenue and expenditure)

1. Table A4 reflects the level in which the revenue base of the municipality. Our reliance is mainly on property rates and service charges as they constitute 53% of the total budget.
2. Employee related costs and bulk purchases are the main cost drivers within the municipality and alternative operations gains and efficiencies will have to be identified to lessen the impact of wage and bulk tariff increases in future years.

MP314 Emakhazeni - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description		Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework			
R thousand	1		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Revenue By Source												
Property rates	2		8,882	11,006	16,162	12,134	22,140	–	–	23,520	24,696	25,931
Property rates - penalties & collection charges			–	–	–	–	–	–	–	–	–	–
Service charges - electricity revenue	2		14,756	21,592	28,446	44,303	44,610	–	–	35,406	37,177	39,035
Service charges - water revenue	2		6,134	6,451	8,363	9,738	9,738	–	–	10,745	11,282	11,846
Service charges - sanitation revenue	2		4,705	4,828	5,585	6,392	6,392	–	–	7,031	7,383	7,752
Service charges - refuse revenue	2		4,647	4,257	5,322	5,467	5,467	–	–	6,013	6,314	6,630
Service charges - other			–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment			578	620	471	733	733			661	694	729
Interest earned - external investments			196	133	23	41	41			36	38	40
Interest earned - outstanding debtors			0	–	–	–	–			–	–	–
Dividends received			–	–	–	–	–			–	–	–
Fines			214	344	394	601	602			602	632	664
Licences and permits			294	205	287	212	212			300	315	331
Agency services			445	557	1,067	1,255	1,255			1,130	1,187	1,246
Transfers recognised - operational			22,093	30,113	37,623	47,903	44,855			54,877	57,728	62,140
Other revenue	2		10,456	4,864	9,060	32,861	35,403	–	–	17,399	18,269	19,182
Gains on disposal of PPE			–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)			73,399	84,968	112,803	161,639	171,448	–	–	157,721	165,714	175,525
Expenditure By Type												
Employee related costs	2		29,629	33,976	53,246	61,451	61,428	–	–	62,068	65,171	68,430
Remuneration of councillors			3,088	3,452	3,447	3,977	4,194			4,322	4,538	4,765
Debt impairment	3		–	–	59,887	2,243	2,243	–	–	2,355	2,473	2,597
Depreciation & asset impairment	2		1,745	2,141	2,750	–	2,915	–	–	2,915	3,061	3,214
Finance charges			509	533	620	2,444	2,444			619	650	683
Bulk purchases	2		12,667	17,975	23,116	25,980	30,980	–	–	35,162	36,920	38,766
Other materials	8		4,819	6,229	6,559	9,226	9,539			8,948	10,523	12,232
Contracted services			2,916	3,029	3,679	3,900	5,364	–	–	5,516	5,792	6,081
Transfers and grants			2,818	1,877	1,535	16,341	15,805	–	–	19,229	19,173	20,474
Other expenditure	4, 5		22,407	19,134	20,556	36,076	36,536	–	–	27,247	28,609	30,040
Loss on disposal of PPE			–	565	160	–	–	–	–	–	–	–
Total Expenditure			80,599	88,912	175,557	161,639	171,448	–	–	168,381	176,910	187,281
Surplus/(Deficit)			(7,200)	(3,944)	(62,754)	0	–	–	–	(10,660)	(11,196)	(11,756)
Transfers recognised - capital			–	–	–	–	–			–	–	–
Contributions recognised - capital	6		–	–	–	–	–	–	–	–	–	–
Contributed assets			–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions			(7,200)	(3,944)	(62,754)	0	–	–	–	(10,660)	(11,196)	(11,756)
Taxation			–	–	–	–	–			–	–	–
Surplus/(Deficit) after taxation			(7,200)	(3,944)	(62,754)	0	–	–	–	(10,660)	(11,196)	(11,756)
Attributable to minorities			–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality			(7,200)	(3,944)	(62,754)	0	–	–	–	(10,660)	(11,196)	(11,756)
Share of surplus/ (deficit) of associate	7		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year			(7,200)	(3,944)	(62,754)	0	–	–	–	(10,660)	(11,196)	(11,756)

Explanatory notes to Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

1. Table A5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.

MP314 Emakhazeni - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description R thousand	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - EXECUTIVE & COUNCIL		-	-	-	-	-	-	-	-	-	-
Vote 2 - FINANCE & ADMIN		-	-	-	-	-	-	-	-	-	-
Vote 3 - PLANNING & DEVELOPMENT		-	-	-	-	-	-	-	-	-	-
Vote 4 - HEALTH		-	-	-	-	-	-	-	-	-	-
Vote 5 - COMMUNITY & SOCIAL SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 6 - PUBLIC SAFETY		-	-	-	-	-	-	-	-	-	-
Vote 7 - SPORT & RECREATION		-	-	-	-	-	-	-	-	-	-
Vote 8 - WASTE MANAGEMENT		-	-	-	-	-	-	-	-	-	-
Vote 9 - WASTE WATER MANAGEMENT		-	-	-	-	-	-	-	-	-	-
Vote 10 - ROAD TRANSPORT		-	-	-	-	-	-	-	-	-	-
Vote 11 - WATER		-	-	-	-	-	-	-	-	-	-
Vote 12 - ELECTRICITY		-	-	-	-	-	-	-	-	-	-
Vote 13 - OTHER		-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated	2										
Vote 1 - EXECUTIVE & COUNCIL		31,206	11,472	11,238	22,214	22,214	-	-	16,049	16,929	17,906
Vote 2 - FINANCE & ADMIN		1,447	240	344	-	-	-	-	570	599	628
Vote 3 - PLANNING & DEVELOPMENT		636	-	-	-	-	-	-	-	-	-
Vote 4 - HEALTH		-	-	-	-	-	-	-	50	53	55
Vote 5 - COMMUNITY & SOCIAL SERVICES		67	7	796	-	-	-	-	-	-	-
Vote 6 - PUBLIC SAFETY		-	-	500	-	-	-	-	90	95	99
Vote 7 - SPORT & RECREATION		86	-	1,500	-	-	-	-	-	-	-
Vote 8 - WASTE MANAGEMENT		4,647	-	40	-	-	-	-	324	340	357
Vote 9 - WASTE WATER MANAGEMENT		4,734	80	80	255	255	-	-	20	21	22
Vote 10 - ROAD TRANSPORT		9,418	75	75	-	-	-	-	-	-	-
Vote 11 - WATER		6,206	280	200	440	440	-	-	200	210	221
Vote 12 - ELECTRICITY		14,953	-	75	113	113	-	-	260	273	287
Vote 13 - OTHER		-	-	35	26	26	-	-	19	20	21
Vote 14 -		-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		73,399	12,154	14,883	23,048	23,048	-	-	17,582	18,539	19,596
Total Capital Expenditure - Vote		73,399	12,154	14,883	23,048	23,048	-	-	17,582	18,539	19,596

Capital Expenditure - Standard											
Governance and administration		26,759	11,712	11,582	22,214	-	-	-	16,619	17,528	18,535
Executive and council		10,430	11,472	11,238	22,214	-	-	-	16,229	17,118	18,105
Budget and treasury office		11,947	170	334	-	-	-	-	390	410	430
Corporate services		4,383	70	10	-	-	-	-	-	-	-
Community and public safety		7,506	7	1,816	-	-	-	-	140	147	154
Community and social services		3,154	7	816	-	-	-	-	-	-	-
Sport and recreation		2,536	-	500	-	-	-	-	-	-	-
Public safety		344	-	500	-	-	-	-	90	95	99
Housing		-	-	-	-	-	-	-	-	-	-
Health		1,472	-	-	-	-	-	-	50	53	55
Economic and environmental services		12,550	75	-	-	-	-	-	-	-	-
Planning and development		4,984	-	-	-	-	-	-	-	-	-
Road transport		7,566	75	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services		28,440	80	315	808	-	-	-	804	844	886
Electricity		16,983	-	75	113	-	-	-	260	273	287
Water		3,578	-	200	440	-	-	-	200	210	221
Waste water management		3,417	-	255	-	-	-	-	20	21	22
Waste management		4,462	80	40	-	-	-	-	324	340	357
Other		-	-	35	26	-	-	-	19	20	21
Total Capital Expenditure - Standard	3	75,255	11,874	13,748	23,048	-	-	-	17,582	18,539	19,596
Funded by:											
National Government		1,670	5,894	7,762	13,131	13,131	13,237	-	15,929	16,803	17,774
Provincial Government											
District Municipality											
Other transfers and grants											
Transfers recognised - capital	4	1,670	5,894	7,762	13,131	13,131	13,237	-	15,929	16,803	17,774
Public contributions & donations	5										
Borrowing	6										
Internally generated funds											
Total Capital Funding	7	1,670	5,894	7,762	13,131	13,131	13,237	-	15,929	16,803	17,774

Explanatory notes to Table A6 - Budgeted Financial Position

1. Table A6 is consistent with international standards of good financial management practice, and improves understandability for councilors and management of the impact of the budget on the statement of financial position (balance sheet).

MP314 Emakhazeni - Table A6 Budgeted Financial Position

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand											
ASSETS											
Current assets											
Cash		62	68	71	-	-	24,401	(10,525)	75	77	82
Call investment deposits	1	160	165	20	-	-	-	-	21	22	23
Consumer debtors	1	50,243	61,127	17,843	-	-	28,093	27,222	27,782	27,439	31,882
Other debtors		9,779	11,474	2,295	-	-	20,538	1,558	2,410	2,530	2,657
Current portion of long-term receivables		-	-	-	-	-	-	-	-	-	-
Inventory	2	225	697	224	-	-	2,674	221	235	247	259
Total current assets		60,469	73,531	20,453	-	-	75,705	18,476	30,523	30,315	34,903
Non current assets											
Long-term receivables		-	-	-	-	-	-	-	-	-	-
Investments		-	-	-	-	-	-	-	-	-	-
Investment property		-	-	-	-	-	-	-	-	-	-
Investment in Associate		-	-	-	-	-	-	-	-	-	-
Property, plant and equipment	3	18,460	22,107	32,166	-	-	(44,007)	32,166	62,750	63,750	64,250
Agricultural		-	-	-	-	-	-	-	-	-	-
Biological		-	-	-	-	-	-	-	-	-	-
Intangible		1,080	1,156	1,002	-	-	12,023	1,002	-	-	-
Other non-current assets		-	-	-	-	-	-	-	-	-	-
Total non current assets		19,540	23,263	33,168	-	-	(31,984)	33,168	62,750	63,750	64,250
TOTAL ASSETS		80,009	96,794	53,621	-	-	43,721	51,644	93,273	94,065	99,153
LIABILITIES											
Current liabilities											
Bank overdraft	1	8,966	11,565	31,914	-	-	18,025	18,025	-	-	-
Borrowing	4	847	903	981	-	-	-	-	-	-	-
Consumer deposits		1,144	1,307	1,504	-	-	19,397	1,674	1,579	1,658	1,741
Trade and other payables	4	11,513	30,615	25,797	-	-	93,990	19,602	33,978	37,571	41,984
Provisions		2,087	1,836	5,585	-	-	5,313	5,313	-	-	-
Total current liabilities		24,557	46,225	65,781	-	-	136,725	44,613	35,557	39,229	43,725
Non current liabilities											
Borrowing		3,768	3,011	(0)	-	-	31,842	6,673	-	-	-
Provisions		-	-	-	-	-	-	-	-	-	-
Total non current liabilities		3,768	3,011	(0)	-	-	31,842	6,673	-	-	-
TOTAL LIABILITIES		28,325	49,236	65,781	-	-	168,567	51,286	35,557	39,229	43,725
NET ASSETS	5	51,685	47,558	(12,160)	-	-	(124,846)	358	57,715	54,836	55,428
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		51,685	47,558	(12,160)	0	-	-	-	18,517	17,830	17,588
Reserves	4	-	-	-	-	-	-	-	-	-	-
Minorities' interests		-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	5	51,685	47,558	(12,160)	0	-	-	-	18,517	17,830	17,588

Explanatory notes to Table A7 - Budgeted Cash Flow Statement

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.

MP314 Emakhazeni - Table A7 Budgeted Cash Flows

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Ratepayers and other		85,872	47,932	81,624	119,437	131,987	131,987	53,670	108,197	113,607	119,288
Government - operating	1		23,887	29,859	33,602	31,090	31,090	23,200	38,948	40,925	44,366
Government - capital	1		6,144	7,762	14,301	13,765	13,765	11,373	15,929	16,803	17,774
Interest		196	133	23	41	41	41	27	36	38	40
Dividends		-	-	-	-	-	-	-	-	-	-
Payments											
Suppliers and employees		(91,078)	(73,801)	(73,801)	(164,937)	(174,439)	(174,439)	(90,802)	(167,762)	(176,260)	(186,599)
Finance charges		(509)	(533)	(140)	(2,444)	(2,444)	(2,444)	(29)	(619)	(650)	(683)
Transfers and Grants	1	-	-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		(5,519)	3,762	45,326	-	-	-	(2,562)	(5,271)	(5,537)	(5,814)
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		-	617	158	-	-	-	-	-	-	-
Decrease (Increase) in non-current debtors		-	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-
Payments											
Capital assets		(1,949)	(6,480)	(9,622)	-	-	(20,710)	(1,726)	-	-	-
NET CASH FROM/(USED) INVESTING ACTIVITIES		(1,949)	(5,863)	(9,463)	-	-	(20,710)	(1,726)	-	-	-
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		4,656	202	(1,937)	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		1,144	215	971	-	-	-	-	-	-	-
Payments											
Repayment of borrowing		-	(903)	(995)	-	-	(981)	(981)	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		5,799	(486)	(1,961)	-	-	(981)	(981)	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		(1,669)	(2,587)	33,902	-	-	(21,691)	(5,268)	(5,271)	(5,537)	(5,814)
Cash/cash equivalents at the year begin:	2	(2,717)	(4,386)	(6,973)	-	-	(31,824)	-	(11,566)	(16,837)	(22,374)
Cash/cash equivalents at the year end:	2	(4,386)	(6,973)	26,929	-	-	(53,515)	(5,268)	(16,837)	(22,374)	(28,188)

Explanatory notes to Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.
3. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be "funded".

MP314 Emakhazeni - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand											
Cash and investments available											
Cash/cash equivalents at the year end	1	(4,386)	(6,973)	26,929	-	-	(53,515)	(5,268)	(16,837)	(22,374)	(28,188)
Other current investments > 90 days		(4,359)	(4,359)	(58,753)	-	-	59,891	(23,282)	16,932	22,473	28,293
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		(8,744)	(11,332)	(31,824)	-	-	6,376	(28,550)	96	99	105
Application of cash and investments											
Unspent conditional transfers		1,645	5,266	5,909	-	-	73,647	6,438	5,000	6,000	6,000
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	(95,440)	(53,161)	25,536	-	-	53,465	46,575	(19,244)	(17,240)	(18,499)
Other provisions		-	-	-	-	-	-	-	-	-	-
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
Total Application of cash and investments:		(93,796)	(47,895)	31,445	-	-	127,112	53,013	(14,244)	(11,240)	(12,499)
Surplus(shortfall)		85,051	36,563	(63,268)	-	-	(120,737)	(81,563)	14,340	11,339	12,604

Explanatory notes to Table A9 - Asset Management

1. Table A9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.

MP314 Emakhazeni - Table A9 Asset Management										
Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand										
CAPITAL EXPENDITURE										
<u>Total New Assets</u>	1	1,452	44,723	49,367	49,769	52,004	20,710	54,604	57,334	60,201
Infrastructure - Road transport		-	5,440	6,100	6,405	6,725	-	7,062	7,415	7,785
Infrastructure - Electricity		-	233	300	315	331	-	347	365	383
Infrastructure - Water		-	8,496	9,491	9,966	10,464	-	10,987	11,536	12,113
Infrastructure - Sanitation		-	9,426	10,367	10,885	11,430	-	12,001	12,601	13,231
Infrastructure - Other		-	4,318	4,749	4,847	4,949	-	5,197	5,456	5,729
Infrastructure		-	27,913	31,007	32,418	33,899	-	35,593	37,373	39,242
Community		-	4,896	5,385	5,540	5,703	-	5,988	6,288	6,602
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	-	10,228	11,249	11,811	12,402	-	13,022	13,673	14,357
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		1,452	1,686	1,726	-	-	20,710	-	-	-
<u>Total Renewal of Existing Assets</u>	2	686	1,149	1,153	1,247	1,327	-	1,173	1,232	1,293
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-
Community		81	132	26	196	196	-	150	158	165
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	605	1,017	1,127	1,051	1,131	-	1,023	1,074	1,128
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
<u>Total Capital Expenditure</u>	4	-	-	-	-	-	-	-	-	-
Infrastructure - Road transport		-	5,440	6,100	6,405	6,725	-	7,062	7,415	7,785
Infrastructure - Electricity		-	233	300	315	331	-	347	365	383
Infrastructure - Water		-	8,496	9,491	9,966	10,464	-	10,987	11,536	12,113
Infrastructure - Sanitation		-	9,426	10,367	10,885	11,430	-	12,001	12,601	13,231
Infrastructure - Other		-	4,318	4,749	4,847	4,949	-	5,197	5,456	5,729
Infrastructure		-	27,913	31,007	32,418	33,899	-	35,593	37,373	39,242
Community		81	5,028	5,411	5,736	5,899	-	6,138	6,445	6,767
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	605	11,245	12,376	12,862	13,533	-	14,045	14,747	15,485
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		1,452	1,686	1,726	-	-	20,710	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class	2	2,138	45,873	50,520	51,016	53,331	20,710	55,777	58,566	61,494
ASSET REGISTER SUMMARY - PPE (WDV)										
Infrastructure - Road transport	5									
Infrastructure - Electricity										
Infrastructure - Water										
Infrastructure - Sanitation										
Infrastructure - Other										
Infrastructure		-	-	-	-	-	-	-	-	-
Community										
Heritage assets										
Investment properties		0	0	0	-	-	0	-	-	-
Other assets										
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		1,080	1,156	1,002	-	-	12,023	-	-	-
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	1,080	1,156	1,002	-	-	12,023	-	-	-
EXPENDITURE OTHER ITEMS										
<u>Depreciation & asset impairment</u>	3	1,745	2,141	2,750	-	2,915	-	2,915	3,061	3,214
<u>Repairs and Maintenance by Asset Class</u>		-	-	-	-	-	-	-	-	-
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-
Community		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6, 7	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS		1,745	2,141	2,750	-	2,915	-	2,915	3,061	3,214
Renewal of Existing Assets as % of total capex		32.1%	2.5%	2.3%	2.4%	2.5%	0.0%	2.1%	2.1%	2.1%
Renewal of Existing Assets as % of deprecn"		39.3%	53.7%	41.9%	0.0%	45.5%	0.0%	40.2%	40.2%	40.2%
R&M as a % of PPE		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Renewal and R&M as a % of PPE		64.0%	99.0%	115.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Explanatory notes to Table A10 - Basic Service Delivery Measurement

1. Table A10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.

MP314 Emakhazeni - Table A10 Basic service delivery measurement

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Household service targets	1									
Water:										
Piped water inside dwelling			9,204	9,404	9,605	9,555	9,555	10,033	10,534	11,061
Piped water inside yard (but not in dwelling)			1,954	1,754	1,553	1,603	1,603	1,500	1,490	1,490
Using public tap (at least min.service level)	2									
Other water supply (at least min.service level)	4									
Minimum Service Level and Above sub-total			11,158	11,158	11,158	11,158	11,158	11,533	12,024	12,551
Using public tap (< min.service level)	3	630	630	500	500	500	500	500	500	500
Other water supply (< min.service level)	4		329	354						
No water supply										
Below Minimum Service Level sub-total		630	959	854	500	500	500	500	500	500
Total number of households	5	630	12,117	12,012	11,658	11,658	11,658	12,033	12,524	13,051
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		9	10	265	265	298		397	397	397
Flush toilet (with septic tank)					109	109				
Chemical toilet										
Pit toilet (ventilated)										
Other toilet provisions (> min.service level)										
Minimum Service Level and Above sub-total		9,294	9,502	264,527	264,636	297,702	—	396,593	396,593	396,593
Bucket toilet										
Other toilet provisions (< min.service level)										
No toilet provisions										
Below Minimum Service Level sub-total		—	—	—	—	—	—	—	—	—
Total number of households	5	9,294	9,502	264,527	264,636	297,702	—	396,593	396,593	396,593
Energy:										
Electricity (at least min.service level)										
Electricity - prepaid (min.service level)			6,191	6,560	6,932	6,932		7,279	7,643	8,025
Minimum Service Level and Above sub-total		—	6,191	6,560	6,932	6,932	—	7,279	7,643	8,025
Electricity (< min.service level)										
Electricity - prepaid (< min. service level)										
Other energy sources										
Below Minimum Service Level sub-total		—	—	—	—	—	—	—	—	—
Total number of households	5	—	6,191	6,560	6,932	6,932	—	7,279	7,643	8,025
Refuse:										
Removed at least once a week		11	12	12	11	12	12	12	12	12
Minimum Service Level and Above sub-total		10,733	11,960	11,960	11,197	11,960	11,960	11,960	11,960	11,960
Removed less frequently than once a week										
Using communal refuse dump										
Using own refuse dump		1	1	3	3	3	3	3	3	3
Other rubbish disposal										
No rubbish disposal										
Below Minimum Service Level sub-total		1,400	1,400	2,618	2,618	2,618	2,618	2,618	2,618	2,618
Total number of households	5	12,133	13,360	14,578	13,815	14,578	14,578	14,578	14,578	14,578
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		9,294	9,502	14,578	12	14,578	14,578	12	14,578	14,578
Sanitation (free minimum level service)					12			12		
Electricity/other energy (50kwh per household per month)					12			12		
Refuse (removed at least once a week)					12			12		
Cost of Free Basic Services provided (R'000)	8									
Water (6 kilolitres per household per month)			0	0						
Sanitation (free sanitation service)			0	0						
Electricity/other energy (50kwh per household per month)			0	0						
Refuse (removed once a week)			0	0	0					
Total cost of FBS provided (minimum social package)		—	0	0	0	—	—	—	—	—
Highest level of free service provided										
Property rates (R value threshold)										
Water (kilolitres per household per month)		6	6	6	6	6	6	6	6	6
Sanitation (kilolitres per household per month)		6	6	6	6	6	6	6	6	6
Sanitation (Rand per household per month)		30	30	30	30	30	30	30	30	30
Electricity (kwh per household per month)		11,197								
Refuse (average litres per week)										
Revenue cost of free services provided (R'000)	9									
Property rates (R15 000 threshold rebate)		365	380	411	436	458	481	5,051	5,303	5,569
Property rates (other exemptions, reductions and rebates)				7,611	3,319	3,485	3,659	3,842	4,034	4,236
Water		911	1,036	986	321	337	354	371	390	409
Sanitation		261	267	288	366	384	404	424	445	467
Electricity/other energy		1,114	1,238	858	2,464	2,588	2,717	2,853	2,995	3,145
Refuse		411	421	453	577	606	636	668	701	736
Municipal Housing - rental rebates										
Housing - top structure subsidies										
Other										
Total revenue cost of free services provided (total social package)	6	3,062	3,342	10,606	7,483	7,857	8,250	13,208	13,868	14,562

Part 2 – Supporting Documentation

2.1 Overview of the annual budget process

Section 53 of the MFMA requires the Mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget. In addition Chapter 2 of the Municipal Budget and Reporting Regulations states that the Mayor of the municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the Act.

The Budget Steering Committee consists of the Municipal Manager and senior officials of the municipality meeting under the chairpersonship of the MMC for Finance.

The primary aims of the Budget Steering Committee are to ensure:

- that the process followed to compile the budget complies with legislation and good budget practices;
- that there is proper alignment between the policy and service delivery priorities set out in the Municipality's IDP and the budget, taking into account the need to protect the financial sustainability of municipality;
- that the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and
- that the various spending priorities of the different municipal departments are properly evaluated and prioritised in the allocation of resources.

a. Budget Process Overview

In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year (i.e. in August 2010) a time schedule that sets out the process to revise the IDP and prepare the budget.

The following has been adhered to in terms of the Budget Time Table and IDP process plan:

- Service delivery implementation were drafted and approved by Council on 30 August 2011.
- Budget timetable for 2012/13 - 2014/2015 scheduling key deadlines was adopted by council on 29th July 2011.
- Annual financial statements were prepared and submitted to the Auditor General by the 31st August 2011, then they were audited between September and October 2011 and the municipality got an unqualified audit opinion.
- Nkangala Outreach Programme was held in 23 February 2011 at, Emthonjeni, Sakhelwe.
- The IDP review process was done in the month of February and March 2012
- The IDP Technical Committee meeting was held on the.
- The Mid-year budget and performance assessment as informed by Section 72 of the MFMA report has been prepared 26 January 2012.
- The proposed adjustment budget has been done 9 February 2012.
- The draft annual budget
- The public participation meetings are to take place to consult on the MTREF 2012/13

2.2 Overview of alignment of annual budget with IDP

The Emakhazeni Local Council adopted an Integrated Development Plan (IDP) process plan in terms of section 28 of the Municipal Systems Act which clarified the roles and responsibilities of IDP structures that must be established for the consideration of the final IDP review for the 2010/2011 Financial Year.

This review process was done in terms of section 34 of the MSA² which inter-alia reads as follows:

"A municipal Council must review its IDP in accordance with an assessment of its performance measurements in terms of section 41; and to the extent that changing circumstances so demand; and may amend its IDP in accordance with a prescribed process".

Therefore, the purpose of this review is to incorporate the views of the community of Emakhazeni, as influenced by changing circumstances.

Accordingly, section 25 of the Municipal Structures Act (MSA) says that each municipal council must, within a prescribed period after its elected term, adopt a single, inclusive and strategic plan for the development of the municipality which;

- (a) Links, integrates and co-ordinates plans and takes into account proposals for the development of the municipality;
- (b) Aligns the resources and capacity of the municipality with the implementation of the plan;
- (c) Forms the policy framework and general basis on which annual budgets must be based
- (d) Is compatible with National and Provincial development plan and planning requirements binding on the municipality in terms of MFMA Circular no. 54.

An integrated development plan adopted by a municipal council in terms of sub-section (1) may be amended in terms of section 34 and remains in force until an integrated development plan is adopted by the next elected council.

Although, the legislation allows the revised 2010-2011 IDP to remain in force until the newly elected council plans drafts, and adopt its own IDP, the councilors have felt that a new fifth revision needs to be planned, drafted and adopted since there are circumstances on the ground that necessitate the adoption of a new revised IDP. These circumstances include but are not limited to the election of new cabinet with a different set of priorities, adoption of new growth path towards creation of decent work.

So, these circumstances together with other provincial and district priorities necessitate the drafting and adoption of a new five year plan to guide all planning of the municipality in the next five years.

In drafting the IDP for the next five years, the municipality has followed its process plan adopted in terms of section 28 (1)(2) and (3) of the Municipal Systems Act, adopted by council during July 2010.

Unfortunately the adopted process plan has had to be amended three times due to circumstances that necessitated such review. These circumstances include among other issues, the following:

- Community unrests
- National Treasury's Municipal Financial Management Act (MFMA) circular no: 54
- The late receipt of Nkangala District Municipality's framework plan binding on the municipality.

Section 26 (a) to (i) of the MSA² prescribes nine (9) key components which must appear on a credible IDP and these components are discussed in summary below.

- a) The vision of the Municipality was amended during the strategic planning session held from the 02 to the 04th of March 2008 and it now reads as follows: "A secure environment with sustainable development to promote service excellence, unity and community participation, resulting in a caring society".

This means that the Municipality is thriving to rapidly transform its internal systems such that they are conducive for the rendering of excellence in service delivery which will encourage communities to hold Council accountable, and make each member of the public to be a watch dog of service delivery.

- b) Chapter 3 of the IDP document discusses the existing level of development in the Municipality. Since the Municipality does not have sufficient capacity to conduct regular Social Surveys, it relies on the Census 2001 data as its source of information.

- The municipal council's vision for the long term development of the municipality with special emphasis on the municipality's most critical development and internal transformation needs.
- The current vision of the municipality remains relevant and it reads as follows;

"A secure environment with sustainable development to promote service excellence, unity and community participation, resulting in a caring society".

The new five year Strategic plan is the era of community service, developmental planning and delivery services for the community of Emakhazeni.

The 2014 in particular is going to be an important year for the country and other countries that are a signatory to the Millennium Development goals adopted by the United Nations (UN).

- (c) Guided by the community, the Municipal Council has developed a set of 25 priority development issues as per the requirement of section 26 (c), which are clustered into five Key Performance Areas, to be implemented during the next three years. They further include the priority areas as indicated in the 2011 State of the Nation Address and the Mpumalanga Economic Growth Path.

The Key Performance Areas are the following:

1. Service Delivery and Infrastructure Developments
2. Local Economic Development
3. Municipal Financial Liability
4. Institutional Transformation
5. Good Governance and Public Participation

2.3 Measurable performance objectives and indicators

Performance Management is a system intended to manage and monitor service delivery progress against the identified strategic objectives and priorities. In accordance with legislative requirements and good business practices as informed by the National Framework for Managing Programme Performance Information, the Municipality has developed and implemented a performance management system of which system is constantly refined as the integrated planning process unfolds. The Municipality targets, monitors, assesses and reviews organisational performance which in turn is directly linked to individual employee's performance.

At any given time within government, information from multiple years is being considered; plans and budgets for next year; implementation for the current year; and reporting on last year's performance. Although performance information is reported publicly during the last stage, the performance information process begins when policies are being developed, and continues through each of the planning, budgeting, implementation and reporting stages. The planning, budgeting and reporting cycle can be graphically illustrated as follows:

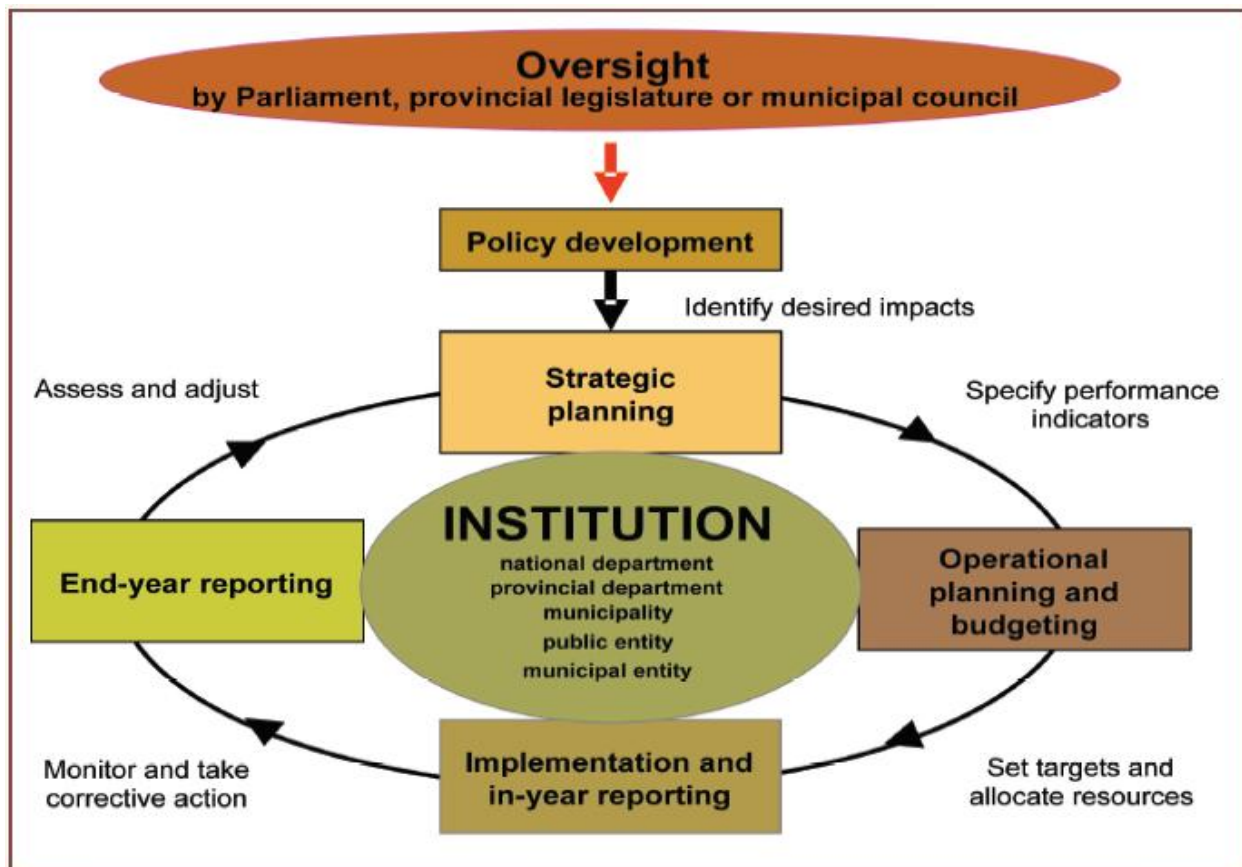
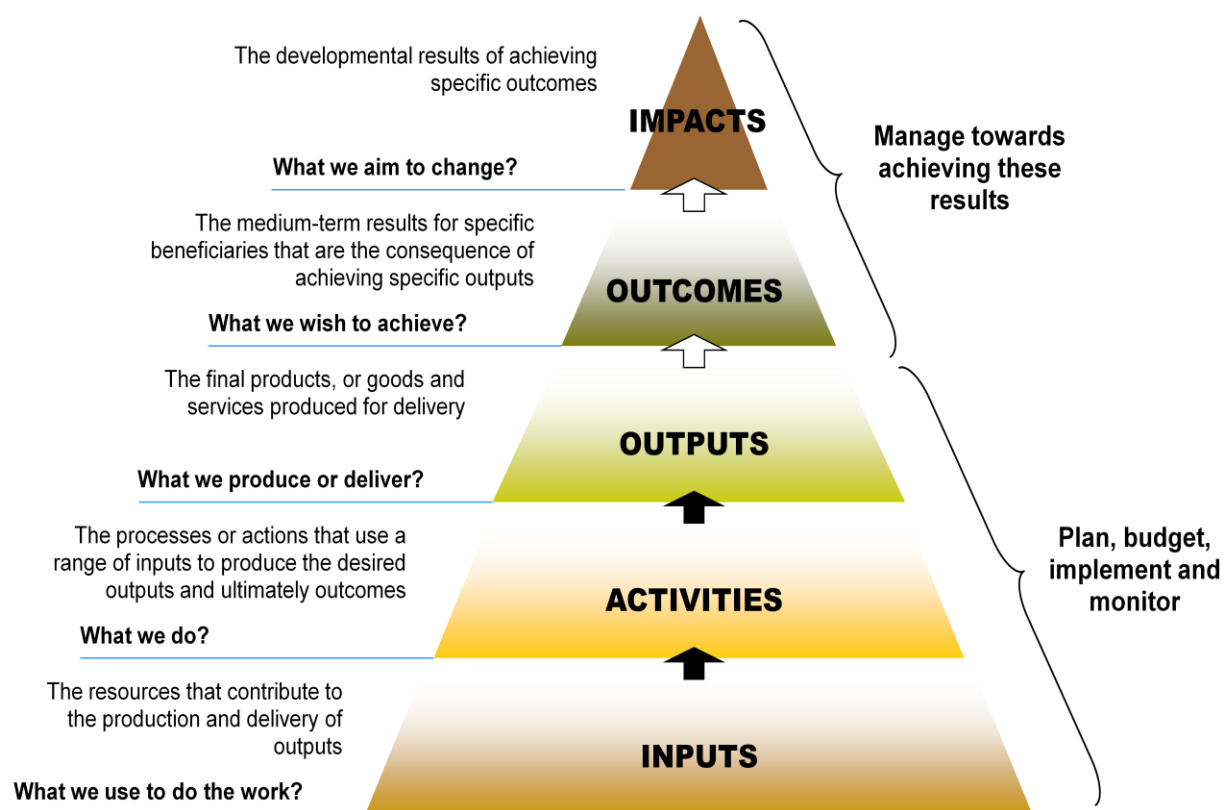


Figure 1 Planning, budgeting and reporting cycle

The performance of the Municipality relates directly to the extent to which it has achieved success in realising its goals and objectives, complied with legislative requirements and meeting stakeholder expectations. The Municipality therefore has adopted one integrated performance management system which encompasses:

- Planning (setting goals, objectives, targets and benchmarks);
- Monitoring (regular monitoring and checking on the progress against plan);
- Measurement (indicators of success);
- Review (identifying areas requiring change and improvement);
- Reporting (what information, to whom, from whom, how often and for what purpose); and
- Improvement (making changes where necessary).

The performance information concepts used by the Municipality in its integrated performance management system are aligned to the **Framework of Managing Programme Performance Information** issued by the National Treasury:

**Figure 2 Definition of performance information concepts**

The following table provides the main measurable performance objectives the municipality undertakes to achieve this financial year.

2.4 Overview of budget related-policies

The Municipality's budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies.

The purpose of these policies is to prescribe the accounting and administrative and procedures relating to Emakhazeni Municipality.

The Municipality performs the procedures set out in the policies to ensure the effective planning and sound financial management

1. **Debt Management Policy** - The implementation of this policy should be based on sound business practices. This includes credit worthiness checks when application for services is made, as well as debt collection through sanctions of warnings, disconnections, evictions and other legal processes.
2. **Supply Chain Management Policy** - The purpose of this manual is to prescribe the policies and procedures relating to Supply Chain Management of the Emakhazeni Municipality. The principles of this policy is to give effect to a fair, equitable, transparent, competitive and cost-effective system for the procuring of goods and services, disposing of goods and selecting of contractors in the provision of municipal services.
3. **Budget Management Policy** - The purpose of this policy is to provide an overview of the procedure for the structural process of Planning and Managing the Budget. The procedures include the development of budgets, including the preparation of the budget, revision, approval, monitoring and evaluation of budgetary performance for a financial year.
4. **Indigent Policy** - to provide access and regulate free basic services to all indigent households.
5. **Tariff Policy** –the purpose of this policy is to determine the tariffs which must be charged for the supply of the four major services, which are : water, electricity, sewerage & refuse.
6. **Property Rates Policy** – the purpose of this policy is to assist the municipality to impose rates within a statutory framework which enhances certainty, uniformity and simplicity across the nation and which takes account of historical imbalances and the burden of rates on the poor. It be noted that the municipality is working on final draft.
7. **Asset Management Policy** – this policy provide guidelines on the management of assets. It must however be noted that the final policy which is GRAP compliant will be provided with the final approved budget as it is still work in progress.
8. **Banking and investment policy** – this policy prescribes for the management of cash and the investing of municipal money.
9. **Borrowing policy** – no policy in place.
10. **Funding & reserves policy** – no policy in place, the municipality does not have reserves at the moment.

2.5 Overview of budget assumptions

2.51 External factors

We will further investigate the following during our public participation process as well as per internal research and take the following into consideration:

- Confirm the labour (i.e. the wage agreements with unions) and other input costs of services provided by the municipality or entity,
- Ensure the need to ensure financial sustainability,
- Reconsider the local economic conditions and the affordability of services,
- Taking into consideration the municipality's indigent policy.
- We also considered relevant policy developments in the different sectors.

- In considering changes in property rates, the municipality took cognizance of local economic conditions such as the down turn in the property market, trends in household incomes and unemployment. Excessive increases in property rates and other tariffs are likely to be counterproductive, resulting in higher levels of non-payment and increased bad debts.

Headline inflation forecasts:

Financial Year	2010 Actual	2011 Estimate	2012 Forecast	2013 Forecast	2014 Forecast
Headline CPI	3.3%	5.0%	5.4%	5.6%	5.4%
<i>Source: Medium Term budget Policy Statement 2011</i>					

2.5.2 General inflation outlook and its impact on the municipal activities

There are five key factors that have been taken into consideration in the compilation of the 2012/13 MTREF:

- National Government macro economic targets;
- The general inflationary outlook and the impact on Municipality's residents and businesses;
- The impact of municipal cost drivers;
- The increase in prices for bulk electricity and water; and
- The increase in the cost of remuneration. Employee related costs comprise 14 per cent increase as compared to the financial year 2012/13 and therefore this increase above inflation places a disproportionate upward pressure on the expenditure budget. The wage agreement SALGBC concluded with the municipal workers unions on 31 July 2009 as well as the categorisation and job evaluation wage curves collective agreement signed on 21 April 2010 must be noted.

2.6 Overview of Budget Funding

BUDGET FUNDING 2012/2013								
Description	Audited Financial Statements 2008/2009	Audited Financial Statements 2009/2010	Audited Financial Statements 2010/2011	Original Budget 2011/2012	Adjustment 2011/2012	Budget 2012/13	Forecast 2013/2014	Forecast 2014/2015
OPERATING REVENUE	0	0	0	0	0	0	0	0
PROPERTY RATES	9,261,991	11,428,180	16,162,068	14,993,822	25,000,000	25,994,372	27,294,091	28,658,795
SERVICE CHARGES	32,515,467	40,607,283	47,717,090	68,782,102	68,782,102	62,110,904	65,216,449	68,477,272
REFUSE REMOVAL SERVICES	4,646,554	4,256,719	5,322,221	5,466,555	5,466,555	6,013,211	6,313,872	6,629,565
SEWERAGE SERVICES	4,705,239	4,827,977	5,585,368	6,392,214	6,392,214	7,031,435	7,383,007	7,752,157
PREPAID ELECTRICITY	5,341,136	8,563,011	12,198,251	16,352,520	16,352,520	18,156,203	19,064,013	20,017,214
SALE OF ELECTRICITY	8,452,014	13,288,901	12,882,744	26,147,888	26,147,888	15,000,000	15,750,000	16,537,500
BASIC ELECTRICITY	2,201,290	2,918,328	3,365,099	4,353,108	4,353,108	4,833,256	5,074,919	5,328,665
SALE OF WATER	4,054,701	3,474,566	4,202,783	4,615,466	4,615,466	5,077,013	5,330,864	5,597,407
BASIC WATER	3,114,533	3,277,780	4,160,624	5,454,351	5,454,351	5,999,786	6,299,775	6,614,764
RENT OF FACILITIES AND EQUIPMENT	577,774	619,502	470,901	732,880	732,880	660,917	693,963	728,661
INTREST EARNED EXTERNAL INVESTMENT	196,002	132,593	22,685	41,400	41,400	35,868	37,661	39,544
FINES	214,091	343,902	393,682	600,850	602,350	601,850	631,943	663,540
LICENCE AND PERMITS	293,903	204,809	287,295	211,610	211,610	300,080	315,084	330,838
INCOME FOR AGENCY SERVICES	445,298	556,760	1,066,578	1,254,500	1,254,500	1,130,200	1,186,710	1,246,046
GRANTS AND SUBSIDIES OPERATING	22,092,502	30,112,515	37,623,089	47,903,000	44,855,000	54,877,000	57,728,000	62,140,000
EQUITABLE SHARE	16,784,300	21,461,210	27,475,083	30,506,000	27,994,000	33,750,000	36,151,000	38,841,000
EQUIT SHARE (COUNCIL SAL GRANT	699,372	763,186	849,000	1,056,000	1,056,000	1,898,000	2,404,000	2,825,000
GRANT: MSIG (INCOME)	735,000	727,127	535,200	790,000	790,000	800,000	870,000	950,000
GRANT: FINANCIAL MANAGEMENT	1,500,000	935,152	1,000,000	1,250,000	1,250,000	1,500,000	1,500,000	1,750,000
GRANT: DCSR LIBRARIES	0	250,000	0	0	0	0	0	0
GRANT: DBSA	700,000	0	0	0	0	0	0	0
GRANT: EPWP (INFRASTRUCTURE)	0	0	0	536,000	0	1,000,000	0	0
GRANT: INEP (INFRASTRUCTURE)	0	0	0	634,000	634,000	0	0	0
VUNA AWARD LED PROJECTS	0	81,361	0	0	0	0	0	0
GRANT: MIG	1,670,000	5,894,478	7,761,547	13,131,000	13,131,000	15,929,000	16,803,000	17,774,000
OTHER REVENUE	10,456,317	4,864,297	9,059,841	32,861,215	35,403,115	17,399,073	18,269,027	19,182,478
TOTAL DIRECT OPERATION REVENUE	76,053,345	88,869,841	112,803,229	167,381,379	176,882,957	163,110,264	171,372,928	181,467,174
LESS REVENUE FOREGONE	2,654,544	3,902,216	0	5,742,769	5,435,331	5,389,303	6,087,815	5,941,707
TOTAL OPERATING REVENUE GENERATED	73,398,802	84,967,625	112,803,229	161,638,610	171,447,626	157,720,961	165,285,113	175,525,467

2.7 Expenditure on grants and reconciliations of unspent funds

MP314 Emakhazeni - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
RECEIPTS:	1, 2									
<u>Operating Transfers and Grants</u>										
National Government:		19,719	23,887	29,859	34,772	31,724	28,250	38,948	40,925	44,366
Local Government Equitable Share		17,484	22,224	28,324	31,562	29,050	25,392	35,648	38,555	41,666
Finance Management		1,500	935	1,000	1,250	1,250	1,500	1,500	1,500	1,750
Municipal Systems Improvement		735	727	535	790	790	948	800	870	950
Integrated National Electrification Programme		-	-	-	634	634	410	-	-	-
EPWP Incentive		-	-	-	536	-	-	1,000	-	-
-		-	-	-	-	-	-	-	-	-
Other transfers/grants [insert description]		-	-	-	-	-	-	-	-	-
Provincial Government:		-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-
Other transfers/grants [insert description]		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	19,719	23,887	29,859	34,772	31,724	28,250	38,948	40,925	44,366
<u>Capital Transfers and Grants</u>										
National Government:		1,670	5,894	7,762	13,131	13,131	13,237	15,929	16,803	17,774
-		1,670	5,894	7,762	13,131	13,131	13,237	15,929	16,803	17,774
-		-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert desc]		-	-	-	-	-	-	-	-	-
Provincial Government:		-	250	-	-	-	410	-	-	-
Other capital transfers/grants [insert description]		-	250	-	-	-	410	-	-	-
District Municipality:		700	-	-	-	-	-	-	-	-
[insert description]		700	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	2,370	6,144	7,762	13,131	13,131	13,648	15,929	16,803	17,774
TOTAL RECEIPTS OF TRANSFERS & GRANTS		22,089	30,031	37,621	47,903	44,855	41,898	54,877	57,728	62,140

MP314 Emakhazeni - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		19,333	23,887	29,859	34,772	31,724	-	38,948	40,925	44,366
Local Government Equitable Share		17,484	22,224	28,324	31,562	29,050		35,648	38,555	41,666
Finance Management		1,195	935	1,000	1,250	1,250		1,500	1,500	1,750
Municipal Systems Improvement		654	727	535	790	790		800	870	950
Integrated National Electrification Programme					634	634				
EPWP Incentive					536			1,000		
Other transfers/grants [insert description]										
Provincial Government:		-	250	-	-	-	-	-	-	-
Other transfers/grants [insert description]			250							
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total operating expenditure of Transfers and Grants		19,333	24,137	29,859	34,772	31,724	-	38,948	40,925	44,366
Capital expenditure of Transfers and Grants										
National Government:		901	5,894	7,762	13,131	13,131	-	15,929	16,803	17,774
		901	5,894	7,762	13,131	13,131		15,929	16,803	17,774
Other capital transfers/grants [insert desc]										
Provincial Government:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total capital expenditure of Transfers and Grants		901	5,894	7,762	13,131	13,131	-	15,929	16,803	17,774
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		20,234	30,031	37,621	47,903	44,855	-	54,877	57,728	62,140

MP314 Emakhazeni - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand										
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		699	14,919	37,621	47,903	44,855		54,877	57,728	62,140
Current year receipts		20,694	15,112							
Conditions met - transferred to revenue		21,393	30,031	37,621	47,903	44,855	-	54,877	57,728	62,140
Conditions still to be met - transferred to liabilities										
Provincial Government:										
Balance unspent at beginning of the year		700								
Current year receipts										
Conditions met - transferred to revenue		700	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year			81							
Current year receipts										
Conditions met - transferred to revenue		-	81	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Total operating transfers and grants revenue		22,093	30,112	37,621	47,903	44,855	-	54,877	57,728	62,140
Total operating transfers and grants - CTBM	2	-	-	-	-	-	-	-	-	-
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		769			13,131	13,131		15,929	16,803	17,774
Current year receipts		901	5,894	7,762						
Conditions met - transferred to revenue		1,670	5,894	7,762	13,131	13,131	-	15,929	16,803	17,774
Conditions still to be met - transferred to liabilities										
Provincial Government:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Total capital transfers and grants revenue		1,670	5,894	7,762	13,131	13,131	-	15,929	16,803	17,774
Total capital transfers and grants - CTBM	2	-	-	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS REVENUE		23,763	36,007	45,382	61,034	57,986	-	70,806	74,531	79,914
TOTAL TRANSFERS AND GRANTS - CTBM		-	-	-	-	-	-	-	-	-

MP314 Emakhazeni - Supporting Table SA21 Transfers and grants made by the municipality

Description R thousand	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Cash Transfers to other municipalities											
<i>Insert description</i>	1	-	-	-	-	-	-	-	-	-	-
Total Cash Transfers To Municipalities:		-	-	-	-	-	-	-	-	-	-
Cash Transfers to Entities/Other External Mechanisms											
<i>Insert description</i>	2										
Total Cash Transfers To Entities/Ems'		-	-	-	-	-	-	-	-	-	-
Cash Transfers to other Organs of State											
<i>Insert description</i>	3										
Total Cash Transfers To Other Organs Of State:		-	-	-	-	-	-	-	-	-	-
Cash Transfers to Organisations											
<i>Insert description</i>	4										
Total Cash Transfers To Organisations		-	-	-	-	-	-	-	-	-	-
Cash Transfers to Groups of Individuals											
<i>Insert description</i>	5	2,818	1,877	1,535	16,341	15,805			19,229	19,173	20,474
Total Cash Transfers To Groups Of Individuals:		2,818	1,877	1,535	16,341	15,805	-	-	19,229	19,173	20,474
TOTAL CASH TRANSFERS AND GRANTS	6	2,818	1,877	1,535	16,341	15,805	-	-	19,229	19,173	20,474

2.8 Councillor and employee benefits

Can be viewed in SA 22& 23 together with the summary of the personnel numbers in SA24

MP314 Emakhazeni - Supporting Table SA22 Summary councillor and staff benefits										
Summary of Employee and Councillor remuneration	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
	1	A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		1,486	1,867	1,944	2,189	2,189	2,189	2,643	2,775	2,914
Pension and UIF Contribution		240	240	269	304	304	304	366	384	403
Medical Aid Contributions		59	59	55	110	110	110	123	129	136
Motor Vehicle Allowance										
Cellphone Allowance								—	—	—
Housing Allowances										—
Other benefits and allowance		1,321	1,321	1,143	1,374	1,374	1,374	1,190	1,250	1,312
Sub Total - Councillors		3,107	3,488	3,411	3,977	3,977	3,977	4,322	4,538	4,765
% increase	4		12.2%	(2.2%)	16.6%	—	—	8.7%	5.0%	5.0%
Senior Manager										
Basic Salaries and Wages		926	751	1,700	1,700	1,700	2,003	2,358	2,476	2,599
Pension and UIF Contribution		212	215	374	374	374	441	519	545	572
Medical Aid Contributions		30	30	54	54	54	62	82	86	90
Overtime										
Performance Bonus										
Motor Vehicle Allowance	3									
Cellphone Allowance	3	113		355	355	355	392	447	469	493
Housing Allowance	3	505	434	806	806	806	746	746	784	823
Other benefits	3	252	23	16	16	16	13	12	12	13
Payments in lieu of leave		—	—	—	—	—	—	—	—	—
Long service awards		—	—	—	—	—	—	—	—	—
Post-retirement	6	—	—	—	—	—	—	—	—	—
Sub Total - Senior Manager		2,039	1,453	3,306	3,306	3,306	3,658	4,163	4,371	4,589
% increase	4		(28.7%)	127.6%	—	—	10.6%	13.8%	5.0%	5.0%
Other Municipal Staff										
Basic Salaries and Wages		18,176	20,422	31,041	37,559	37,503	39,518	37,334	39,201	41,161
Pension and UIF Contribution		3,767	4,437	6,306	8,541	8,541	7,262	7,651	8,034	8,436
Medical Aid Contributions		1,017	1,014	1,011	1,028	1,028	2,389	2,521	2,647	2,780
Overtime		1,937	2,818	3,351	2,959	2,834		2,982	3,131	3,288
Performance Bonus		1,412	1,659	2,291	3,384	3,284		3,362	3,530	3,706
Motor Vehicle Allowance	3							427	448	470
Cellphone Allowance	3	—	—	—	90	90	2,667	11	11	12
Housing Allowance	3	71	68	66	83	83		6	6	7
Other benefits	3	31	34	41	46	46	819	3,611	3,792	3,982
Payments in lieu of leave										
Long service awards										
Post-retirement	6	—	—	—	—	—	—	—	—	—
Sub Total - Other Municipal		26,412	30,453	44,108	53,690	53,409	52,655	57,904	60,800	63,840
% increase	4		15.3%	44.8%	21.7%	(0.5%)	(1.4%)	10.0%	5.0%	5.0%
Total Parent Municipality		31,558	35,393	50,825	60,974	60,693	60,290	66,389	69,709	73,194
			12.2%	43.6%	20.0%	(0.5%)	(0.7%)	10.1%	5.0%	5.0%
TOTAL SALARY, ALLOWANCES & BENEFITS		31,558	35,393	50,825	60,974	60,693	60,290	66,389	69,709	73,194
% increase	4		12.2%	43.6%	20.0%	(0.5%)	(0.7%)	10.1%	5.0%	5.0%

MP314 Emakhazeni - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.				2.
Councillors	3							
Speaker	4		280,247	38,599	162,430			481,276
Chief Whip								—
Executive Mayor			324,670	79,849	197,077			601,596
Deputy Executive Mayor								—
Executive Committee			828,978	146,574	394,125			1,369,677
Total for all other councillors			1,208,900	223,640	436,592			1,869,132
Total Councillors	8	—	2,642,795	488,663	1,190,223			4,321,681
Senior Managers of the Municipality	5							
Municipal Manager (MM)			511,601	150,474	245,684	108,965		1,016,723
Chief Finance Officer			572,783	145,806	—	86,593		805,181
								—
								—
<i>List of each official with packages >= senior manager</i>								
MANAGER CORPORATE SERVICES			461,516	103,454	156,625	86,593		808,188
MANAGER TECHNICAL SERVICES			398,813	117,186	203,729	86,924		806,652
MANAGER COMMUNITY SERVICES			412,948	95,669	140,277	77,882		726,776
								—
ALL OTHER EMPLOYEES			34,976,171	15,817,020	4,196,241	2,914,681		57,904,113
								—
								—
								—
								—
								—
								—
Total Senior Managers of the Municipality	8	—	37,333,831	16,429,610	4,942,555	3,361,638		62,067,634
A Heading for Each Entity	6,7							
List each member of board by designation								—
								—
								—
								—
								—
								—
								—
								—
								—
								—
								—
								—
								—
								—
Total for municipal entities	8	—	—	—	—	—		—
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION		—	39,976,626	16,918,273	6,132,778	3,361,638		66,389,314

MP314 Emakhazeni - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers	Ref	2010/11			Current Year 2011/12			Budget Year 2012/13		
		Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities										
Councillors (Political Office Bearers plus Other Councillors)	4	13		13	15		15	15		15
Board Members of municipal entities	5									
Municipal employees	3	5	1	1	5	1		5	1	
Municipal Manager and Senior Managers	7	15			16			16		
Other Managers										
Professionals		20	20	–	27	27	–	27	28	–
Finance		3	3	–	5	5	–	5	5	–
Spatial/town planning										
Information Technology										
Roads										
Electricity		5	5	–	8	8	–	8	8	–
Water										
Sanitation										
Refuse										
Other		12	12	–	14	14	–	14	15	–
Technicians		2	74	–	4	80	–	4	84	–
Finance								4	4	–
Spatial/town planning		2	2	–	4	4	–		8	–
Information Technology										
Roads			5	–		8	–			–
Electricity							–			–
Water							–			–
Sanitation							–			–
Refuse							–			–
Other			67	–		68			72	
Clerks (Clerical and administrative)										
Service and sales workers										
Skilled agricultural and fishery workers										
Craft and related trades										
Plant and Machine Operators			249			264			264	
Elementary Occupations										
TOTAL PERSONNEL NUMBERS		55	344	14	67	372	15	67	377	15
% increase					21.8%	8.1%	7.1%	–	1.3%	–
Total municipal employees headcount	6									
Finance personnel headcount	8									
Human Resources personnel headcount	8									

2.9 Monthly targets for revenue, expenditure and cash

Can be viewed in SA25, SA26, SA27,,SA29 and SA30

MP314 Emakhazeni - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description		Ref	Budget Year 2012/13												Medium Term Revenue and Expenditure Framework		
R thousand			July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Revenue By Source																	
Property rates			1,981	1,981	1,981	1,981	1,981	1,981	1,981	1,981	1,981	2,188	2,188	1,313	23,520	24,696	25,931
Property rates - penalties & collection charges			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue			3,166	3,166	3,166	3,166	3,166	3,166	3,166	3,166	3,166	3,166	3,166	583	35,406	37,177	39,035
Service charges - water revenue			894	894	894	894	894	894	894	894	894	894	894	911	10,745	11,282	11,846
Service charges - sanitation revenue			-	-	-	-	-	-	-	-	-	-	-	7,031	7,031	7,383	7,752
Service charges - refuse revenue			478	478	478	478	478	478	478	478	478	478	478	752	6,013	6,314	6,630
Service charges - other			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment			55	55	55	55	55	55	55	55	55	55	55	55	661	694	729
Interest earned - external investments			3	3	3	3	3	3	3	3	3	3	3	3	36	38	40
Interest earned - outstanding debtors			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines			50	50	50	50	50	50	50	50	50	50	50	50	602	632	664
Licences and permits			25	25	25	25	25	25	25	25	25	25	25	29	300	315	331
Agency services			94	94	94	94	94	94	94	94	94	94	94	94	1,130	1,187	1,246
Transfers recognised - operational			-	-	-	-	-	-	-	-	-	-	-	54,877	54,877	57,728	62,140
Other revenue			1,450	1,450	1,450	1,450	1,450	1,450	1,450	1,450	1,450	1,450	-	2,902	17,399	18,269	19,182
Gains on disposal of PPE			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)			8,196	8,196	8,196	8,196	8,196	8,196	8,196	8,196	8,196	8,402	6,953	68,600	157,721	165,714	175,525
Expenditure By Type																	
Employee related costs			5,072	5,072	5,072	5,072	5,072	5,072	5,072	5,072	5,072	5,072	5,072	6,272	62,068	65,171	68,430
Remuneration of councillors			360	360	360	360	360	360	360	360	360	360	360	360	4,322	4,538	4,765
Debt impairment			196	196	196	196	196	196	196	196	196	196	196	197	2,355	2,473	2,597
Depreciation & asset impairment			243	243	243	243	243	243	243	243	243	243	243	243	2,915	3,061	3,214
Finance charges			102	102	102	102	102	102	102	102	102	102	102	(498)	619	650	683
Bulk purchases			2,930	2,930	2,930	2,930	2,930	2,930	2,930	2,930	2,930	2,930	2,930	2,930	35,162	36,920	38,766
Other materials			761	761	761	761	761	761	761	761	761	761	761	577	8,948	10,523	12,232
Contracted services			460	460	460	460	460	460	460	460	460	460	460	460	5,516	5,792	6,081
Transfers and grants			-	-	-	-	-	-	-	-	-	-	-	19,229	19,229	19,173	20,474
Other expenditure			3,257	3,257	3,257	3,257	3,257	3,257	3,257	3,257	3,257	3,257	3,257	(8,576)	27,247	28,609	30,040
Loss on disposal of PPE			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure			13,381	13,381	13,381	13,381	13,381	13,381	13,381	13,381	13,381	13,381	13,381	21,193	168,381	176,910	187,281
Surplus/(Deficit)			(5,184)	(5,184)	(5,184)	(5,184)	(5,184)	(5,184)	(5,184)	(5,184)	(5,184)	(4,978)	(6,428)	47,407	(10,660)	(11,196)	(11,756)
Transfers recognised - capital			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions recognised - capital			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributed assets			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions			(5,184)	(5,184)	(5,184)	(5,184)	(5,184)	(5,184)	(5,184)	(5,184)	(5,184)	(4,978)	(6,428)	47,407	(10,660)	(11,196)	(11,756)
Taxation			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	1		(5,184)	(5,184)	(5,184)	(5,184)	(5,184)	(5,184)	(5,184)	(5,184)	(5,184)	(4,978)	(6,428)	47,407	(10,660)	(11,196)	(11,756)

MP314 Emakhazeni - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2012/13												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Revenue by Vote																
Vote 1 - EXECUTIVE & COUNCIL		1,130	1,130	6,687	6,687	6,687	6,687	6,687	6,687	6,687	6,687	6,687	17,546	79,985	85,142	90,924
Vote 2 - FINANCE & ADMIN		905	905	905	905	905	905	905	905	905	905	905	904	10,857	11,400	11,969
Vote 3 - PLANNING & DEVELOPMENT		107	107	107	107	107	107	107	107	107	107	107	107	1,288	302	317
Vote 4 - HEALTH		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 5 - COMMUNITY & SOCIAL SERVICES		5	5	5	5	5	5	5	5	5	5	5	4	55	58	60
Vote 6 - PUBLIC SAFETY		1	1	1	1	1	1	1	1	1	1	1	1	10	11	11
Vote 7 - SPORT &RECREATION		15	15	15	15	15	15	15	15	15	15	15	15	185	194	204
Vote 8 - WASTE MANAGEMENT		480	480	480	480	480	480	480	480	480	480	480	755	6,038	6,340	6,657
Vote 9 - WASTE WATER MANAGEMENT		562	562	562	562	562	562	562	562	562	562	562	883	7,060	7,413	7,784
Vote 10 - ROAD TRANSPORT		657	657	657	657	657	657	657	657	657	657	657	657	7,884	8,278	8,692
Vote 11 - WATER		-	-	925	925	925	925	925	925	925	925	925	2,792	11,115	11,671	12,255
Vote 12 - ELECTRICITY		-	-	3,219	3,219	3,219	3,219	3,219	3,219	3,219	3,219	3,219	9,659	38,633	40,565	42,593
Vote 13 - OTHER		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue by Vote		3,861	3,861	13,563	13,563	13,563	13,563	13,563	13,563	13,563	13,563	13,563	33,322	163,110	171,373	181,467
Expenditure by Vote to be appropriated																
Vote 1 - EXECUTIVE & COUNCIL		3,338	3,338	2,964	2,964	2,964	2,964	2,964	2,964	2,964	2,964	2,964	2,215	35,567	37,823	39,875
Vote 2 - FINANCE & ADMIN		2,662	2,662	2,662	2,662	2,662	2,662	2,662	2,662	2,662	2,662	2,662	5,586	34,863	36,561	38,601
Vote 3 - PLANNING & DEVELOPMENT		907	907	907	907	907	907	907	907	907	907	907	935	10,913	10,408	10,929
Vote 4 - HEALTH		133	133	119	119	119	119	119	119	119	119	119	91	1,425	1,496	1,571
Vote 5 - COMMUNITY & SOCIAL SERVICES		458	458	458	458	458	458	458	458	458	458	458	401	5,441	5,713	5,999
Vote 6 - PUBLIC SAFETY		123	123	123	123	123	123	123	123	123	123	123	208	1,557	1,635	1,717
Vote 7 - SPORT &RECREATION		112	112	112	112	112	112	112	112	112	112	112	2,838	4,075	4,278	4,492
Vote 8 - WASTE MANAGEMENT		342	342	342	342	342	342	342	342	342	342	342	5,055	8,818	9,259	9,722
Vote 9 - WASTE WATER MANAGEMENT		497	497	497	497	497	497	497	497	497	497	497	493	5,955	6,253	6,565
Vote 10 - ROAD TRANSPORT		823	823	823	823	823	823	823	823	823	823	823	1,051	10,104	10,610	11,140
Vote 11 - WATER		530	530	530	530	530	530	530	530	530	530	530	235	6,070	7,101	8,609
Vote 12 - ELECTRICITY		3,794	3,794	3,794	3,794	3,794	3,794	3,794	3,794	3,794	3,794	3,794	1,141	42,872	45,016	47,267
Vote 13 - OTHER		58	58	58	58	58	58	58	58	58	58	58	83	721	757	795
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure by Vote		13,777	13,777	13,388	13,388	13,388	13,388	13,388	13,388	13,388	13,388	13,388	20,333	168,381	176,910	187,281
Surplus/(Deficit) before assoc.		(9,915)	(9,915)	175	175	175	175	175	175	175	175	175	12,989	(5,271)	(5,537)	(5,814)
Taxation													-	-	-	-
Attributable to minorities													-	-	-	-
Share of surplus/ (deficit) of associate													-	-	-	-
Surplus/(Deficit)	1	(9,915)	(9,915)	175	175	175	175	175	175	175	175	175	12,989	(5,271)	(5,537)	(5,814)

MP314 Emakhazeni - Supporting Table SA27 Budgeted monthly revenue and expenditure (standard classification)

Description	Ref	Budget Year 2012/13												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand																
Revenue - Standard																
<i>Governance and administration</i>		7,592	7,592	7,592	7,592	7,592	7,592	7,592	7,592	7,592	7,592	7,592	7,335	90,842	96,541	102,894
Executive and council		6,687	6,687	6,687	6,687	6,687	6,687	6,687	6,687	6,687	6,687	6,687	6,431	79,985	85,142	90,924
Budget and treasury office		905	905	905	905	905	905	905	905	905	905	905	904	10,857	11,400	11,969
Corporate services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		21	21	21	21	21	21	21	21	21	21	21	21	250	262	275
Community and social services		5	5	5	5	5	5	5	5	5	5	5	4	55	58	60
Sport and recreation		15	15	15	15	15	15	15	15	15	15	15	15	185	194	204
Public safety		1	1	1	1	1	1	1	1	1	1	1	1	10	11	11
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		764	764	764	764	764	764	764	764	764	764	764	764	9,172	8,580	9,009
Planning and development		107	107	107	107	107	107	107	107	107	107	107	107	1,288	302	317
Road transport		657	657	657	657	657	657	657	657	657	657	657	657	7,884	8,278	8,692
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		5,145	5,145	5,145	5,145	5,145	5,145	5,145	5,145	5,145	5,145	5,145	6,247	62,847	65,989	69,289
Electricity		3,219	3,219	3,219	3,219	3,219	3,219	3,219	3,219	3,219	3,219	3,219	3,220	38,633	40,565	42,593
Water		884	884	884	884	884	884	884	884	884	884	884	1,389	11,115	11,671	12,255
Waste water management		562	562	562	562	562	562	562	562	562	562	562	883	7,060	7,413	7,784
Waste management		480	480	480	480	480	480	480	480	480	480	480	755	6,038	6,340	6,657
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue - Standard		13,522	13,522	13,522	13,522	13,522	13,522	13,522	13,522	13,522	13,522	13,522	14,366	163,110	171,373	181,467
Expenditure - Standard																
<i>Governance and administration</i>		6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	4,430	70,430	74,384	78,476
Executive and council		3,338	3,338	3,338	3,338	3,338	3,338	3,338	3,338	3,338	3,338	3,338	(1,156)	35,567	37,823	39,875
Budget and treasury office		1,993	1,993	1,993	1,993	1,993	1,993	1,993	1,993	1,993	1,993	1,993	4,614	26,537	27,819	29,421
Corporate services		669	669	669	669	669	669	669	669	669	669	669	972	8,326	8,743	9,180
<i>Community and public safety</i>		1,028	1,028	1,028	1,028	1,028	1,028	1,028	1,028	1,028	1,028	1,028	1,189	12,498	13,123	13,779
Community and social services		458	458	458	458	458	458	458	458	458	458	458	401	5,441	5,713	5,999
Sport and recreation		351	351	351	351	351	351	351	351	351	351	351	209	4,075	4,278	4,492
Public safety		123	123	123	123	123	123	123	123	123	123	123	208	1,557	1,635	1,717
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health		96	96	96	96	96	96	96	96	96	96	96	371	1,425	1,496	1,571
<i>Economic and environmental services</i>		1,739	1,739	1,739	1,739	1,739	1,739	1,739	1,739	1,739	1,739	1,739	1,893	21,017	21,018	22,069
Planning and development		907	907	907	907	907	907	907	907	907	907	907	935	10,913	10,408	10,929
Road transport		832	832	832	832	832	832	832	832	832	832	832	958	10,104	10,610	11,140
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		5,558	5,558	5,558	5,558	5,558	5,558	5,558	5,558	5,558	5,558	5,558	2,581	63,715	67,628	72,163
Electricity		3,794	3,794	3,794	3,794	3,794	3,794	3,794	3,794	3,794	3,794	3,794	1,141	42,872	45,016	47,267
Water		530	530	530	530	530	530	530	530	530	530	530	235	6,070	7,101	8,609
Waste water management		497	497	497	497	497	497	497	497	497	497	497	493	5,955	6,253	6,565
Waste management		737	737	737	737	737	737	737	737	737	737	737	712	8,818	9,259	9,722
<i>Other</i>		58	58	58	58	58	58	58	58	58	58	58	83	721	757	795
Total Expenditure - Standard		14,382	14,382	14,382	14,382	14,382	14,382	14,382	14,382	14,382	14,382	14,382	10,176	168,381	176,910	187,281
Surplus/(Deficit) before assoc.		(860)	(860)	(860)	(860)	(860)	(860)	(860)	(860)	(860)	(860)	(860)	4,190	(5,271)	(5,537)	(5,814)
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	1	(860)	(860)	(860)	(860)	(860)	(860)	(860)	(860)	(860)	(860)	(860)	4,190	(5,271)	(5,537)	(5,814)

MP314 Emakhazeni - Supporting Table SA29 Budgeted monthly capital expenditure (standard classification)

Description	Ref	Budget Year 2012/13												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Capital Expenditure - Standard	1															
Governance and administration		1,362	1,362	1,362	1,362	1,362	1,362	1,362	1,362	1,362	1,362	1,362	1,632	16,619	17,528	18,535
Executive and council		1,330	1,330	1,330	1,330	1,330	1,330	1,330	1,330	1,330	1,330	1,330	1,600	16,229	17,118	18,105
Budget and treasury office		33	33	33	33	33	33	33	33	33	33	33	33	390	410	430
Corporate services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community and public safety		7	7	7	7	7	7	7	7	7	7	7	58	140	147	154
Community and social services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public safety		3	3	3	3	3	3	3	3	3	3	3	53	90	95	99
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health		4	4	4	4	4	4	4	4	4	4	4	4	50	53	55
Economic and environmental services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Planning and development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Road transport		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trading services		102	102	102	102	102	102	102	102	102	102	102	(324)	804	844	886
Electricity		-	-	-	-	-	-	-	-	-	-	-	260	260	273	287
Water		17	17	17	17	17	17	17	17	17	17	17	17	200	210	221
Waste water management		68	68	68	68	68	68	68	68	68	68	68	(732)	20	21	22
Waste management		18	18	18	18	18	18	18	18	18	18	18	131	324	340	357
Other		0	0	0	0	0	0	0	0	0	0	0	14	19	20	21
Total Capital Expenditure - Standard	2	1,473	1,473	1,473	1,473	1,473	1,473	1,473	1,473	1,473	1,473	1,473	1,381	17,582	18,539	19,596

MP314 Emakhazeni - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2012/13												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand															
Cash Receipts By Source													1		
Property rates	2,188	2,188	2,188	2,188	2,188	2,188	2,188	2,188	2,188	2,188	2,188	2,188	26,250	27,563	28,941
Property rates - penalties & collection charges	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Service charges - electricity revenue	3,166	3,166	3,166	3,166	3,166	3,166	3,166	3,166	3,166	3,166	3,166	3,166	37,989	39,889	41,883
Service charges - water revenue	922	922	922	922	922	922	922	922	922	922	922	922	11,060	11,613	12,194
Service charges - sanitation revenue	—	—	—	—	—	—	—	—	—	—	—	—	6,904	7,249	7,611
Service charges - refuse revenue	478	478	478	478	478	478	478	478	478	478	478	478	5,904	6,199	6,509
Service charges - other	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Rental of facilities and equipment	55	55	55	55	55	55	55	55	55	55	55	55	661	694	729
Interest earned - external investments	3	3	3	3	3	3	3	3	3	3	3	3	36	38	40
Interest earned - outstanding debtors	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Dividends received	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Fines	50	50	50	50	50	50	50	50	50	50	50	50	602	632	664
Licences and permits	4	4	4	4	4	4	4	4	4	4	4	4	254	300	331
Agency services	94	94	94	94	94	94	94	94	94	94	94	94	94	1,187	1,246
Transfer receipts - operational	3,162	3,162	3,162	3,162	3,162	3,162	3,162	3,162	3,162	3,162	3,162	4,162	38,948	40,925	44,366
Other revenue	959	959	959	959	959	959	959	959	959	959	959	6,853	17,397	18,267	19,181
Cash Receipts by Source	11,081	11,081	11,081	11,081	11,081	11,081	11,081	11,081	11,081	11,081	11,081	25,293	147,181	154,570	163,693
Other Cash Flows by Source															
Transfer receipts - capital	—	—	1,411	1,411	1,411	1,411	1,411	1,411	1,411	1,411	1,411	3,232	15,929	16,803	17,774
Contributions recognised - capital & Contributed a	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Proceeds on disposal of PPE	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Short term loans	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Borrowing long term/refinancing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Increase (decrease) in consumer deposits	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Decrease (Increase) in non-current debtors	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Decrease (increase) other non-current receivable	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Decrease (increase) in non-current investments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total Cash Receipts by Source	11,081	11,081	12,491	12,491	12,491	12,491	12,491	12,491	12,491	12,491	12,491	28,525	163,110	171,373	181,467
Cash Payments by Type															
Employee related costs	5,189	5,189	5,189	5,189	5,189	5,189	5,189	5,189	5,189	5,189	5,189	4,986	62,068	65,171	68,430
Remuneration of councillors	360	360	360	360	360	360	360	360	360	360	360	360	4,322	4,538	4,765
Finance charges	52	52	52	52	52	52	52	52	52	52	52	52	619	650	683
Bulk purchases - Electricity	2,930	2,930	2,930	2,930	2,930	2,930	2,930	2,930	2,930	2,930	2,930	2,930	35,162	36,920	38,766
Bulk purchases - Water & Sewer	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Other materials	761	761	761	761	761	761	761	761	761	761	761	577	8,948	10,523	12,232
Contracted services	699	699	699	699	699	699	699	699	699	699	699	699	8,383	8,802	9,243
Transfers and grants - other municipalities	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Transfers and grants - other	1,602	1,602	1,602	1,602	1,602	1,602	1,602	1,602	1,602	1,602	1,602	1,602	19,229	19,173	20,474
Other expenditure	1,879	1,879	1,879	1,879	1,879	1,879	1,879	1,879	1,879	1,879	1,879	2,056	22,724	23,860	25,053
Cash Payments by Type	13,472	13,472	13,472	13,472	13,472	13,472	13,472	13,472	13,472	13,472	13,472	13,261	161,454	169,637	179,645
Other Cash Flows/Payments by Type															
Capital assets	—	—	—	—	—	—	—	—	—	—	—	1,653	1,653	1,736	1,822
Repayment of borrowing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Other Cash Flows/Payments	—	—	—	—	—	—	—	—	—	—	—	5,271	5,271	5,534	5,811
Total Cash Payments by Type	13,472	13,472	13,472	13,472	13,472	13,472	13,472	13,472	13,472	13,472	13,472	20,185	168,378	176,907	187,278
NET INCREASE/(DECREASE) IN CASH HELD	(2,391)	(2,391)	(981)	(981)	(981)	(981)	(981)	(981)	(981)	(981)	(981)	8,340	(5,268)	(5,534)	(5,811)
Cash/cash equivalents at the month/year begin:	(2,391)	(2,391)	(4,783)	(5,763)	(6,744)	(7,724)	(8,705)	(9,686)	(10,666)	(11,647)	(12,627)	(13,608)	—	(5,268)	(10,802)
Cash/cash equivalents at the month/year end:	(2,391)	(4,783)	(5,763)	(6,744)	(7,724)	(8,705)	(9,686)	(10,666)	(11,647)	(12,627)	(13,608)	(5,268)	(5,268)	(10,802)	(16,612)

2.10 Annual budgets and SDBIPs – internal departments

Annual budget is attached as Annexure **C**. Explanatory notes on internal votes will be included in final approval of the budget.

SDBIPs is attached as Annexure **C** can be viewed in municipal website.

2.11 Contracts having future budgetary implications

The municipality does not have any contracts that may exceed the

2.12 Capital expenditure details

The following table represent the proposed capital projects for the MTREF 2012/13 – 2014/145.

The capital projects are funded through internal surplus and external sources which are: MIG and Nkangala District Municipality.

CAPITAL PROJETS 2012/2013						
MUNICIPAL INFRASTRUCTURE GRANT						
Source of	Vote nr	Projects		Cost 2013	Cost 2014	Cost 2015
MIG	019 305004	Paving of Manzini street	Siyathuthuka	72,047.70		
MIG		Completion of main bus route in extension 03	Siyathuthuka	29,673.71		
MIG		Installation of highmast lights in Siyathuthuka	Siyathuthuka	82,668.69		
MIG		Installation of highmast lights in extension 03	Emthonjeni	54,504.43		
MIG		Rehabilitation of waste site phase 1	Belfast	3,893,670.00		
MIG		Upgrading of Water Rising (Phase 1 Retention)	Machadodorp	117,333.65		
MIG		Upgrading of Water Rising (Phase 2)	Machadodorp	2,134,516.96		
MIG		Upgrading of Portable Water Rising Main	Belfast	2,000,000.00		
MIG		Replacement of Corroded Elevated Tank	Belfast	1,419,015.00		
MIG		Connect Church Sites to Water and Sewer (Retention)	Siyathuthuka	20,122.18		
MIG		Paving of Khayalami Street (Retention)	Siyathuthuka	96,593.82		
MIG		Provision of services Phase 2	Emqwenya	478,750.00		
MIG		Engineering services	Sakhelwe	476,547.75		
MIG		Water supply in rural areas (Phase 4 Retention)	Rural Areas	247,833.17		
MIG		Water supply in rural areas (Phase 5)	Rural Areas	3,876,428.60		
MIG		Paving of roads (Phase 1 retention)	Dullstroom& Sakhelwe	132,844.35		
		PMU		796,450.00		
		TOTAL MIG		15,929,000.00	R 16,803,000.00	R 17,774,000.00
NKGANGALA DISTRICT MUNICIPALITY 2012/2013						
Source of	Vote nr	Project	Area	Cost 2013	Cost 2014	Cost 2015
NDM		Refurbishment of Belfast waste water treatment works	Belfast	1,000,000.00		
NDM		Refurbishment of Entokozweni waste water treatment works	Entokozweni	930,000.00		
NDM		Purchase of three JCB TLBs	EMAKHAZENI	1,500,000.00		
NDM		Purchase of three Tipper trucks	EMAKHAZENI	1,950,000.00		
NDM		Upgrading of electrical medium voltage network in belfast phase 2	Belfast	1,500,000.00		
NDM		Finalise the outstanding Engineering Services in Sakhelwe	Sakhelwe	1,050,000.00		
NDM		Review of water Sector Development Plans	EMAKHAZENI	500,000.00		
NDM		Subdivision of various parcels of land in Emakhazeni	EMAKHAZENI	500,000.00		
NDM		Installation of water meters and flow meter	EMAKHAZENI	1,000,000.00		
NDM		Ground Water protocols for VIP toilets for Emakhazeni rural areas	EMAKHAZENI	1,000,000.00		
		TOTAL NDM		10,930,000.00	R 11,586,000.00	R 12,165,300.00
CAPITAL EXPENDITURE - INTERNAL FUNDS						
Source of	Vote nr	Projects	Area	Cost 2013	Cost 2014	Cost 2015
Internal	06-305010	FIRE HOSES AND BRANCHES	EMAKHAZENI	40,000.00	42,000.00	44,100.00
Internal	06-305020	INTERN CAP: MACHINERY & EQUIP	EMAKHAZENI	50,000.00	52,500.00	55,125.00
Internal	09-305020	INTERN CAP: MACHINERY & EQUIP	EMAKHAZENI	50,000.00	52,500.00	55,125.00
Internal	20-305000	STREET BINS	EMAKHAZENI	15,000.00	15,750.00	16,537.50
Internal	20-305012	VEHICLE	EMAKHAZENI	308,771.00	324,210.00	340,420.50
Internal	21-305020	INTERN CAP: MACHINERY & EQUIP	EMAKHAZENI	20,000.00	21,000.00	22,050.00
Internal	23-305012	VEHICLE	EMAKHAZENI	180,000.00	189,000.00	198,450.00
Internal	24-305012	INTERN CAP: COMPUTER EQUIPMENT	EMAKHAZENI	120,000.00	126,000.00	132,300.00
Internal	26-305010	INTERN CAP: FURNITURE & EQUIP	EMAKHAZENI	40,000.00	42,000.00	44,100.00
Internal	26-305020	FUEL TANKS	EMAKHAZENI	350,000.00	367,500.00	385,875.00
Internal	35-305020	INTERN CAP: MACHINERY & EQUIP	EMAKHAZENI	19,000.00	19,950.00	20,947.50
Internal	40-305020	MACHINERY & EQUIPMENT	EMAKHAZENI	260,150.00	273,157.00	286,814.85
Internal	45-305020	MACHINERY & EQUIPMENT	EMAKHAZENI	200,000.00	210,000.00	220,500.00
		TOTAL INTERNAL FUNDIN		1,652,921.00	1,735,567.00	1,822,345.35
		TOTAL CAPITAL		28,511,921.00	30,124,567.00	31,761,645.35

Capital Expenditure - Standard											
Governance and administration		26,759	11,712	11,582	22,214	22,214	-	-	16,619	17,528	18,535
Executive and council		10,430	11,472	11,238	22,214	22,214	-	-	16,229	17,118	18,105
Budget and treasury office		11,947	170	334	-	-	-	-	390	410	430
Corporate services		4,383	70	10	-	-	-	-	-	-	-
Community and public safety		7,506	7	1,816	-	-	-	-	140	147	154
Community and social services		3,154	7	816	-	-	-	-	-	-	-
Sport and recreation		2,536	-	500	-	-	-	-	-	-	-
Public safety		344	-	500	-	-	-	-	90	95	99
Housing		-	-	-	-	-	-	-	-	-	-
Health		1,472	-	-	-	-	-	-	50	53	55
Economic and environmental services		12,550	75	-	-	-	-	-	-	-	-
Planning and development		4,984	-	-	-	-	-	-	-	-	-
Road transport		7,566	75	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services		28,440	80	315	808	-	-	-	804	844	886
Electricity		16,983	-	75	113	-	-	-	260	273	287
Water		3,578	-	200	440	-	-	-	200	210	221
Waste water management		3,417	-	-	255	-	-	-	20	21	22
Waste management		4,462	80	40	-	-	-	-	324	340	357
Other		-	-	35	26	-	-	-	19	20	21
Total Capital Expenditure - Standard	3	75,255	11,874	13,748	23,048	22,214	-	-	17,582	18,539	19,596
Funded by:											
National Government		1,670	5,894	7,762	13,131	13,131	13,237	15,929	15,929	16,803	17,774
Provincial Government											
District Municipality											
Other transfers and grants											
Transfers recognised - capital	4	1,670	5,894	7,762	13,131	13,131	13,237	15,929	15,929	16,803	17,774
Public contributions & donations	5										
Borrowing	6										
Internally generated funds											
Total Capital Funding	7	1,670	5,894	7,762	13,131	13,131	13,237	15,929	15,929	16,803	17,774

MP314 Emakhazeni - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2012/13												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand																
Multi-year expenditure to be appropriated	1															
Vote 1 - EXECUTIVE & COUNCIL		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - FINANCE & ADMIN		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - PLANNING & DEVELOPMENT		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 4 - HEALTH		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 5 - COMMUNITY & SOCIAL SERVICES		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 6 - PUBLIC SAFETY		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 7 - SPORT &RECREATION		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 8 - WASTE MANAGEMENT		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 9 - WASTE WATER MANAGEMENT		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - ROAD TRANSPORT		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - WATER		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - ELECTRICITY		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - OTHER		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated																
Vote 1 - EXECUTIVE & COUNCIL		1,330	1,330	1,330	1,330	1,330	1,330	1,330	1,330	1,330	1,330	1,330	1,420	16,049	16,929	17,906
Vote 2 - FINANCE & ADMIN		33	33	33	33	33	33	33	33	33	33	33	213	570	599	628
Vote 3 - PLANNING & DEVELOPMENT		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 4 - HEALTH		4	4	4	4	4	4	4	4	4	4	4	4	50	53	55
Vote 5 - COMMUNITY & SOCIAL SERVICES		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 6 - PUBLIC SAFETY		3	3	3	3	3	3	3	3	3	3	3	53	90	95	99
Vote 7 - SPORT &RECREATION		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 8 - WASTE MANAGEMENT		15	15	15	15	15	15	15	15	15	15	15	159	324	340	357
Vote 9 - WASTE WATER MANAGEMENT		68	68	68	68	68	68	68	68	68	68	68	(732)	20	21	22
Vote 10 - ROAD TRANSPORT		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - WATER		17	17	17	17	17	17	17	17	17	17	17	17	200	210	221
Vote 12 - ELECTRICITY		0	0	0	0	0	0	0	0	0	0	0	256	260	273	287
Vote 13 - OTHER		0	0	0	0	0	0	0	0	0	0	0	14	19	20	21
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total	2	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,404	17,582	18,539	19,596
Total Capital Expenditure	2	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,404	17,582	18,539	19,596

MP314 Emakhaseni - Supporting Table SA36 Detailed capital budget

Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code 2	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes		2012/13 Medium Term Revenue & Expenditure Framework			Project information	
										Audited Outcome 2010/11	Current Year 2011/12 Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15	Ward location	New or renewal
R thousand	4				6	3	3	5								
Parent municipality: List all capital projects grouped by Municipal Vote																
019-305004		mig project exp			yes	Infrastructure - Road transport						15,929	16,803	17,774	Emakahzeni	new
006-305010		Fire Hoses & Branches			yes	Community						40	42	44	Emakahzeni	new
006-305020		Machinery & Equip			yes	Community						50	53	55	Emakahzeni	new
009-305020		Machinery & Equip			yes	Community						50	53	55	Emakahzeni	new
020-305022		Vehicle			yes	Heritage Assets						309	324	340	Emakahzeni	new
020-305000		Street bins			yes	Community						15	16	16	Emakahzeni	new
023-305022		Vehicle			yes	Infrastructure - Sanitation	Water purification					180	189	198	Emakahzeni	new
021-305020		Machinery & Equip			yes	Infrastructure - Sanitation	Computers - software & programming					20	21	22	Emakahzeni	new
024-305012		Computer Equipment			yes	Heritage Assets						120	126	132	Emakahzeni	new
026-new		Fuel Tanks			yes	Heritage Assets	Furniture and other office equipment					350	368	386	Emakahzeni	new
026-305010		Furniture &Equip			yes	Other						40	42	44	Emakahzeni	new
035-305020		Machinery & Equip			yes	Infrastructure - Other						19	20	21	Emakahzeni	new
040-305020		Machinery & Equip			yes	Infrastructure - Electricity						260	273	221	Emakahzeni	new
045-305020		Machinery & Equip			yes	Infrastructure - Water						200	210	221	Emakahzeni	new
Parent Capital expenditure	1											17,582	18,539	19,530		

2.13 Legislation compliance status

The Municipality operations are governed by an array of different acts.

The following Acts and prescripts are central in defining municipal boundaries and areas of influence:

- ♦ Regional Services Council Act, 1985 (Act 109 of 1985)
- ♦ Local Government: Municipal Structures Act, Act 117 of 1998 with all its amendments to date.
- ♦ Local Government : Municipal Systems Act, Act 32 of 2000 with all its amendments to date in its entirety together with regulations promulgated and applicable to high capacity municipalities.
- ♦ Local Government: Municipal Finance Management Act, Act 56 of 2004 in its entirety including regulations promulgated.
- ♦ Compliance is also given to circulars by National Treasury in line with the Municipal Systems Act and the Municipal Finance Management Act
- ♦ Local Government : Property Rates Act, Act 6 of 2004 and its promulgated regulations
- ♦ The Municipality is participating in the Municipal Financial management Internship programme, in the financial year 2011/2012 the municipality employed three interns of which one resigned in February 2011 to peruse an opportunity with the Auditor General. Since the inception of this programme the municipality has employed a total of four whom they have appointed as Deputy Manager Budget & Reporting, Deputy Manager Supply Chain Management, Senior Accountant Income and Senior Accountant Supply Chain Management. Of the four only one intern later resigned to peruse a career with a National Department.

Thus not only is Emakhazeni Municipality responsive to national government legislation, it has to comply with all the local government regulations and acts.

2.14 Other Supporting Document.

Other supporting documents entail supporting budget tables on SA1 to SA37,

MP314 Emakhazeni - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand											
REVENUE ITEMS:											
<u>Property rates</u>	6										
Total Property Rates		9,262	11,428	16,162	14,994	25,000			25,994	27,294	28,659
less Revenue Foregone		380	422		2,860	2,860			2,474	2,598	2,728
Net Property Rates		8,882	11,006	16,162	12,134	22,140	-	-	23,520	24,696	25,931
<u>Service charges - electricity revenue</u>	6										
Total Service charges - electricity revenue		15,994	24,770	28,446	46,854	46,854			37,989	39,889	41,883
less Revenue Foregone		1,238	3,178		2,551	2,243			2,583	2,712	2,848
Net Service charges - electricity revenue		14,756	21,592	28,446	44,303	44,610	-	-	35,406	37,177	39,035
<u>Service charges - water revenue</u>	6										
Total Service charges - water revenue		7,169	6,752	8,363	10,070	10,070			11,077	11,631	12,212
less Revenue Foregone		1,036	302		332	332			332	349	366
Net Service charges - water revenue		6,134	6,451	8,363	9,738	9,738	-	-	10,745	11,282	11,846
<u>Service charges - sanitation revenue</u>	6										
Total Service charges - sanitation revenue		4,705	4,828	5,585	6,392	6,392			7,031	7,383	7,752
less Revenue Foregone											
Net Service charges - sanitation revenue		4,705	4,828	5,585	6,392	6,392	-	-	7,031	7,383	7,752
<u>Service charges - refuse revenue</u>	6										
Total refuse removal revenue		4,647	4,257	5,322	5,467	5,467			6,013	6,314	6,630
Total landfill revenue		-	-	-	-	-			-	-	-
less Revenue Foregone		-	-	-	-	-	-	-	-	-	-
Net Service charges - refuse revenue		4,647	4,257	5,322	5,467	5,467	-	-	6,013	6,314	6,630
<u>Other Revenue by source</u>											
OPEN BLOCKED SEWERAGES		12	13	17	26	26	-	-	29	30	32
REFUND : TRAINING		116	-	-	273	73	-	-	76	80	84
MOTOR VEHICLE FEES DIRECT		880	994	934	769	769	-	-	892	937	983
T M T PROJECT INCOME		7,598	3,235	3,258	6,000	6,000			5,000	5,250	5,513
TENDER FORMS		49	54	55	47	47	-	-	49	51	54
CONTRIBUTION TO BULK SERVICE		1	4	352	1,396	1,396	-	-	323	339	356
CONNECTION FEE NON PAYMENT		41	47	22	25	25	-	-	50	53	55
BUILDING PLAN FEES		67	44	47	45	45			50	53	55
AUCTION		651	-	-	207	207			207	218	229
LAND AVAILABILITY OR DISPOSAL		-	-	2,193	9,075	16,175			10,000	10,500	11,025
SALE OF DWELLINGS		534	85	259	120	150			170	179	187
OTHER REVENUE	3	507	388	1,923	14,878	10,490			553	580	609
Total 'Other' Revenue	1	10,456	4,864	9,060	32,861	35,403	-	-	17,399	18,269	19,182

EXPENDITURE ITEMS:										
Employee related costs										
Basic Salaries and Wages	2	18,176	20,422	31,041	37,559	37,503			37,334	41,161
Pension and UIF Contributions		3,767	4,437	6,306	8,541	8,541			8,565	9,443
Medical Aid Contributions		946	1,304	1,672	2,459	2,571			2,504	2,871
Overtime		1,937	2,818	3,351	2,959	2,834			2,982	3,288
Performance Bonus		1,412	1,659	2,291	3,384	3,284			3,362	3,796
Motor Vehicle Allowance		2,066	2,276	3,498	4,674	4,714			5,324	6,870
Cellphone Allowance		—	—	—	90	90			128	142
Housing Allowances		71	66	—	83	71			71	76
Other benefits and allowances		1,254	991	3,431,268	1,702	1,608			1,698	1,783
Payments in lieu of leave		—	—	1,590	—	—			—	—
Long service awards		—	—	—	—	—			—	—
Post-retirement benefit obligations		—	—	—	—	—			—	—
Less: Employees costs capitalised to PPE	5	29,629	33,976	53,246	61,451	61,428			62,068	68,430
Total Employee related costs	1	29,629	33,976	53,246	61,451	61,428			62,068	68,430
Contributions recognised - capital										
Capital Expenditure										
Total Contributions recognised - capital										
Depreciation & asset impairment										
Depreciation of Property, Plant & Equipment		1,745	2,141	2,750	—	2,915			2,915	3,061
Lease amortisation		—	—	—	—	—			—	—
Capital asset impairment		—	—	—	—	—			—	—
Depreciation resulting from revaluation of PPE		—	—	—	—	—			—	—
Total Depreciation & asset impairment	10	1,745	2,141	2,750	—	2,915			2,915	3,061
Bulk purchases										
Electricity Bulk Purchases		12,667	17,975	23,116	25,980	30,980			35,162	38,766
Water Bulk Purchases		—	—	—	—	—			—	—
Total bulk purchases	1	12,667	17,975	23,116	25,980	30,980			35,162	38,766
Transfers and grants										
Cash transfers and grants		2,818	1,877	1,535	16,341	15,805			19,229	20,474
Non-cash transfers and grants		—	—	—	—	—			—	—
Total transfers and grants	1	2,818	1,877	1,535	16,341	15,805			19,229	20,474
Contracted services										
CONTRACT: MUNPAK		202	238	311	238	338			360	397
CONTRACT WORKERS		6	—	—	—	—			—	—
RENTAL AGREEMENTS: FAXES		2	—	—	—	—			—	—
RENTAL AGREEMENTS: COPIERS		398	395	365	339	420			441	463
CONSUMPTION: COPIERS		78	90	170	254	254			200	221
MAINTENANCE AGREEMENT: TELEPHO		—	—	—	—	—			—	—
CONTRACT: PRUNE/PLANT TREES		23	24	8	76	40			56	62
SECURITY WONDERPONTIN		2,069	2,081	2,567	2,663	2,663			2,797	2,937
SAM SYSTEM: MAINTENANCE AGREEM		—	—	—	—	—			—	—
LEGAL FEES		139	202	259	330	1,730			1,816	2,002
RENTAL SPEED CAMERAS		—	—	—	—	—			—	—
Allocations to organs of state:	1	2,916	3,029	3,679	3,900	5,364			5,516	6,081
Electricity		—	—	—	—	—			—	—
Water		—	—	—	—	—			—	—
Sanitation		—	—	—	—	—			—	—
Other		—	—	—	—	—			—	—
Total contracted services		2,916	3,029	3,679	3,900	5,364			5,516	6,081
Other Expenditure By Type										
Collection costs		—	—	—	—	—			—	—
Contributions to 'other' provisions		—	—	—	—	—			—	—
Consultant fees		1,106	—	719	720	1,220			1,160	1,279
Audit fees		550	1,275	1,289	1,626	1,626			1,707	1,882
General expenses		—	—	—	—	—			—	—
RENTAL OFFICES		—	250	260	385	385			375	413
RENTAL VEHICLES		—	117	428	360	360			100	110
INSURANCE ANNUAL RENEWALS		1,082	1,341	1,603	1,857	1,857			2,000	2,205
BOOKS & ORDINANCES		23	55	71	130	110			150	165
CHEMICALS		1,098	1,418	1,762	2,000	2,000			2,200	2,426
ADVERTISING COSTS		105	121	56	100	200			150	165
PRINTING & STATIONARY		707	749	790	1,300	1,300			1,260	1,323
FUEL & OIL		2,274	2,338	2,755	3,256	3,256			3,524	3,700
TELEPHONE		856	907	1,122	960	1,100			1,155	1,213
TMT PROJECTS EXPENSES		4,038	1,711	1,628	3,000	3,000			2,600	2,756
TRAINING		386	351	363	570	570			473	496
OTHER EXP		9,760	7,667	7,343	9,829	10,137			9,146	10,083
Capital Proj		423	935	369	9,983	9,415			1,653	1,822
Total 'Other' Expenditure	1	22,407	19,134	20,556	36,076	36,536			27,247	28,609
Repairs and Maintenance	8									
Employee related costs										
Other materials										
Contracted Services										
Other Expenditure										
Total Repairs and Maintenance Expenditure	9	—	—	—	—	—			—	—

MP314 Emakhazeni - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

Description	Ref	Vote 1 - EXECUTIVE & COUNCIL	Vote 2 - FINANCE & ADMIN	Vote 3 - PLANNING & DEVELOPME NT	Vote 4 - HEALTH	Vote 5 - COMMUNITY & SOCIAL SERVICES	Vote 6 - PUBLIC SAFETY	Vote 7 - SPORT & RECREATI ON	Vote 8 - WASTE MANAGEME NT	Vote 9 - WASTE WATER MANAGEME NT	Vote 10 - ROAD TRANSPORT	Vote 11 - WATER	Vote 12 - ELECTRICIT Y	Vote 13 - OTHER	Vote 14 -	Vote 15 -	Total
R thousand	1																
Revenue By Source																	
Property rates		25,994	-	-	-	-	-	-	-	-	-	-	-	-	-	-	25,994
Property rates - penalties & collection charges		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue		-	-	-	-	-	-	-	-	-	-	-	37,989	-	-	-	37,989
Service charges - water revenue		-	-	-	-	-	-	-	-	7,031	-	11,077	-	-	-	-	18,108
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		-	-	-	-	-	-	-	6,013	-	-	-	-	-	-	-	6,013
Service charges - other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		-	511	-	-	13	-	137	-	-	-	-	-	-	-	-	661
Interest earned - external investments		-	36	-	-	-	-	-	-	-	-	-	-	-	-	-	36
Interest earned - outstanding debtors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines		-	-	-	-	2	-	-	-	-	600	-	-	-	-	-	602
Licences and permits		-	-	-	-	-	-	41	-	-	259	-	-	-	-	-	300
Agency services		-	-	-	-	-	-	-	-	-	1,130	-	-	-	-	-	1,130
Other revenue		114	10,310	288	-	40	10	8	25	29	5,894	38	644	-	-	-	17,399
Transfers recognised - operational		53,877	-	1,000	-	-	-	-	-	-	-	-	-	-	-	-	54,877
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		79,985	10,857	1,288	-	55	10	185	6,038	7,060	7,884	11,115	38,633	-	-	-	163,110
Expenditure By Type																	
Employee related costs		7,266	15,181	8,379	973	2,459	1,213	3,637	5,970	4,049	7,215	2,378	2,665	682	-	-	62,068
Remuneration of councillors		4,322	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,322
Debt impairment		2,355	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,355
Depreciation & asset impairment		-	2,915	-	-	-	-	-	-	-	-	-	-	-	-	-	2,915
Finance charges		-	-	-	-	-	-	207	-	212	-	-	200	-	-	-	619
Bulk purchases		-	-	-	-	-	-	-	-	-	-	-	35,162	-	-	-	35,162
Other materials		44	468	1,123	-	218	205	142	1,750	476	247	972	3,293	11	-	-	8,948
Contracted services		2,316	2,687	-	-	2,663	-	56	-	-	-	180	480	-	-	-	8,383
Transfers and grants		18,229	-	1,000	-	-	-	-	-	-	-	-	-	-	-	-	19,229
Other expenditure		3334024	11,311	411	452	101	139	29	1,098	1217753	2,643	2,540	1,072	29	-	-	24,377
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure		37,867	32,563	10,913	1,425	5,441	1,557	4,072	8,818	5,955	10,104	6,070	42,872	721	-	-	168,378
Surplus/(Deficit)		42,118	(21,706)	(9,625)	(1,425)	(5,387)	(1,547)	(3,887)	(2,779)	1,105	(2,221)	5,046	(4,239)	(721)	-	-	(5,268)
Transfers recognised - capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions recognised - capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributed assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		42,118	(21,706)	(9,625)	(1,425)	(5,387)	(1,547)	(3,887)	(2,779)	1,105	(2,221)	5,046	(4,239)	(721)	-	-	(5,268)

MP314 Emakhazeni - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand											
ASSETS											
Call investment deposits											
Call deposits < 90 days		160	165	20	—	—	—	—	21	22	23
Other current investments > 90 days		—	—	—	—	—	—	—	—	—	—
Total Call investment deposits	2	160	165	20	—	—	—	—	21	22	23
Consumer debtors											
Consumer debtors		50,243	61,127	77,706	—	—	86,449	87,085	90,000	92,000	94,000
Less: Provision for debt impairment		—	—	(59,863)	—	—	(58,356)	(59,863)	(62,218)	(64,561)	(62,118)
Total Consumer debtors	2	50,243	61,127	17,843	—	—	28,093	27,222	27,782	27,439	31,882
Debt impairment provision											
Balance at the beginning of the year		—	—	(59,863)	—	—	(58,356)	(59,863)	(59,863)	(62,218)	64,561
Contributions to the provision		—	—	—	—	—	—	—	(2,355)	(2,473)	(2,597)
Bad debts written off		—	—	—	—	—	—	—	—	—	—
Balance at end of year		—	—	(59,863)	—	—	(58,356)	(59,863)	(62,218)	(64,691)	61,964
Property, plant and equipment (PPE)											
PPE at cost/valuation (excl. finance leases)		20,412	25,964	39,770	—	—	47,240	39,770	75,000	78,000	80,000
Leases recognised as PPE		—	—	—	—	—	—	—	—	—	—
Less: Accumulated depreciation		1,951	3,857	7,604	—	—	91,247	7,604	12,250	14,250	15,750
Total Property, plant and equipment (PPE)	2	18,460	22,107	32,166	—	—	(44,007)	32,166	62,750	63,750	64,250
LIABILITIES											
Current liabilities - Borrowing											
Short term loans (other than bank overdraft)		847	903	981	—	—	—	—	—	—	—
Current portion of long-term liabilities		—	—	—	—	—	—	—	—	—	—
Total Current liabilities - Borrowing		847	903	981	—	—	—	—	—	—	—
Trade and other payables											
Trade and other creditors		5,405	10,430	47,407	—	—	53,465	46,575	12,530	14,300	17,850
Unspent conditional transfers		1,645	5,266	5,909	—	—	73,647	6,438	5,000	6,000	6,000
VAT		4,464	14,919	(27,518)	—	—	(33,122)	(33,411)	16,448	17,271	18,134
Total Trade and other payables	2	11,513	30,615	25,797	—	—	93,990	19,602	33,978	37,571	41,984
Non current liabilities - Borrowing											
Borrowing		1,735	1,937	—	—	—	22,929	6,134	—	—	—
Finance leases (including PPP asset element)		2,032	1,074	(0)	—	—	8,913	539	—	—	—
Total Non current liabilities - Borrowing	4	3,768	3,011	(0)	—	—	31,842	6,673	—	—	—
Provisions - non-current											
Retirement benefits		—	—	—	—	—	—	—	—	—	—
List other major provision items		—	—	—	—	—	—	—	—	—	—
Refuse landfill site rehabilitation		—	—	—	—	—	—	—	—	—	—
Other		—	—	—	—	—	—	—	—	—	—
Total Provisions - non-current		—	—	—	—	—	—	—	—	—	—
CHANGES IN NET ASSETS											
Accumulated Surplus/(Deficit)											
Accumulated Surplus/(Deficit) - opening balance		58,885	51,502	50,594	—	—	—	—	29,177	17,830	17,587
GRAP adjustments		—	—	—	—	—	—	—	—	—	—
Restated balance		58,885	51,502	50,594	—	—	—	—	29,177	17,830	17,587
Surplus/(Deficit)		(7,200)	(3,944)	(62,754)	0	—	—	—	(10,660)	(11,196)	(11,756)
Appropriations to Reserves		—	—	—	—	—	—	—	—	—	—
Transfers from Reserves		—	—	—	—	—	—	—	—	—	—
Depreciation offsets		—	—	—	—	—	—	—	—	—	—
Other adjustments		—	—	—	—	—	—	—	—	—	—
Accumulated Surplus/(Deficit)	1	51,685	47,558	(12,160)	0	—	—	—	18,517	6,634	5,832
Reserves											
Housing Development Fund		—	—	—	—	—	—	—	—	—	—
Capital replacement		—	—	—	—	—	—	—	—	—	—
Self-insurance		—	—	—	—	—	—	—	—	—	—
Other reserves		—	—	—	—	—	—	—	—	—	—
Revaluation		—	—	—	—	—	—	—	—	—	—
Total Reserves	2	—	—	—	—	—	—	—	—	—	—
TOTAL COMMUNITY WEALTH/EQUITY	2	51,685	47,558	(12,160)	0	—	—	—	18,517	6,634	5,832

MP314 Emakhazeni - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)												
Strategic Objective	Goal	Goal Code	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Services charges: Sanitation Revenue	Service Delivery			4,705	4,828	5,585	6,392	6,392		7,031	7,383	7,611
Services charges: Refuse removals revenue	Services delivery			4,647	4,257	5,322	5,467	5,467		6,013	6,314	6,630
Services charges: Electricity Revenue	Services delivery			15,994	24,770	28,446	46,854	46,854	–	37,989	39,889	41,883
Services charges: Water Revenue	Services delivery			7,169	6,752	8,363	10,070	10,070	–	11,060	11,613	12,194
Economical Monetary Management	Financial Viability			22,093	30,113	41,011	47,903	44,855		54,877	57,728	62,140
Municipal Transformation and organisation Development	Good Governance			21,445	18,150	24,075	50,696	63,246	–	46,139	48,446	51,009
Allocations to other priorities			2									
Total Revenue (excluding capital transfers and co			1	76,053	88,870	112,803	167,381	176,883	–	163,110	171,373	181,467

MP314 Emakhazeni - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)												
Strategic Objective	Goal	Goal Code	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Property Rates: Indigent Support	Poverty Alleviation			380	422		2,860	2,860		2,474	3,027	3,178
Electricity: Indigent	Poverty Alleviation			1,238	3,178		2,551	2,243		2,583	2,712	2,848
Water: Indigent Support	Poverty Alleviation			1,036	302		332	332		332	349	366
Provide Health & Environmental	Service Delivery			10,053	5,483	6,252	9,543	9,056		9,172	8,580	9,009
Electricity Infrastructure	Service Delivery			12,667	17,975	23,116	25,980	30,980		35,162	36,920	38,766
Community & Social Service Provision				7,506	9,019	10,762	13,732	13,437		12,777	13,416	14,087
Sustainable & Economical Monetary	Financial Viability			901	5,894	10,918	13,131	13,131		15,929	16,803	17,774
Management Municipal Transformation & Organisational Development	Good Co-Operative Governance							74,735	-	67,451	71,984	77,109
Good Governance & Public Participation	Service Delivery Based			26,759	31,022	104,741	68,474					
				20,058	15,616	19,768	25,036	24,674	-	22,501	23,119	24,144
Total Expenditure			1	80,599	88,912	175,557	161,639	171,448	-	168,381	176,910	187,281

MP314 Emakhazeni - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)												
Strategic Object	Goal	Goal Code	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue &		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Institutional Transformation, Good Governance & Public participation	Governance & Administration	A		26,759	11,712	11,582	22,214	22,214	–	16,619	17,528	18,535
Service Delivery and Infrastructure Developments	Community Services & Public Safety	B		5,650	287	2,951	26	26		140	147	154
Service Delivery and Infrastructure Developments	Economic & Environmental Services	C		12,550	75	35				–		
Service Delivery and Infrastructure Developments	Trading Services	D		28,440	80	315	808	808		804	844	886
Other		E								19	20	21
Allocations to other priorities			3									
Total Capital Expenditure			1	73,399	12,154	14,883	23,048	23,048	–	17,582	18,539	19,596

MP314 Emakhazeni - Supporting Table SA7 Measureable performance objectives										
Description	Unit of measurement	2008/9 Audited Outcome	2009/10 Audited Outcome	2010/11 Audited Outcome	Current Year 2011/12			2012/13 Budget Year 2012/13	Medium Term Budget Year +1 2013/14	Revenue & Budget Year +2 2014/15
Community Services Department	number of rehabilitated dumping sites							4	4	4
Waste Managemnet										
020-235057										
Creating facilities for community needs.										
Sport And Recreation	number of chalets upgraded							1	0	0
Parks & Chalets										
Revalising of tourist destination										
PLANNING & DEVELOPMENT	Km of new Paving roads constructed							180	190	170
Public Works										
Constructing new roads where required										
Road Transport										
Traffic	Number of new traffic signals							600	400	200
To improve the free flow of traffic.										
Technical										
Water										
water	number of houseld for supply of water							30	40	50
Providing water to Rural Areas.										
ing water infrastructure										
Managing water infrastructure assets.	Number of Replaced corroded: Elevated tanks							1	0	0
Electricity										
Electricity										
Provide area lighting where required.	Number of new highmasts							11	12	13
Managing water infrastructure assets.	Number of Replaced corroded: Elevated tanks									
Waste Water Management										
Sewerage Services										
By providing sewer networks to new developments	Number of churches to be linked and connected on							5	0	0

MP314 Emakhazeni - Supporting Table SA8 Performance indicators and benchmarks

MP314 Enakrazem - Supporting Table SA6 Performance Indicators and Benchmarks											
Description of financial indicator	Basis of calculation	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
<u>Borrowing Management</u>											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	0.6%	1.6%	0.9%	1.5%	1.4%	0.0%	0.0%	0.4%	0.4%	0.4%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	1.0%	2.6%	2.1%	2.1%	1.9%	0.0%	0.0%	0.6%	0.6%	0.6%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	6.5%	3.2%	-27.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Safety of Capital</u>											
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Liquidity</u>											
Current Ratio	Current assets/current liabilities	2.5	1.6	0.3	—	—	0.5	0.4	0.9	0.8	0.8
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	2.5	1.6	0.3	—	—	0.5	0.4	0.9	0.8	0.8
Liquidity Ratio	Monetary Assets/Current Liabilities	0.0	0.0	0.0	—	—	0.0	(0.2)	0.0	0.0	0.0
<u>Revenue Management</u>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		168.0%	87.6%	108.6%	105.1%	104.3%	0.0%	0.0%	105.2%	105.2%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)			168.0%	87.6%	108.6%	105.1%	104.3%	0.0%	0.0%	105.2%	105.2%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	81.8%	85.4%	17.9%	0.0%	0.0%	0.0%	0.0%	19.1%	18.1%	19.7%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
<u>Creditors Management</u>											
Creditors System Efficiency	% of Creditors Paid Within Terms (within'MFMA' s 65(e))										
Creditors to Cash and Investments		-123.2%	-149.6%	176.0%	0.0%	0.0%	-1015.5%	-884.0%	-74.4%	-63.9%	-63.3%
<u>Other Indicators</u>											
Electricity Distribution Losses (2)	% Volume (units purchased and generated less units sold)/units purchased and generated										
Water Distribution Losses (2)	% Volume (units purchased and own source less units sold)/Total units purchased and own source										
Employee costs	Employee costs/(Total Revenue - capital revenue)	40.4%	40.0%	47.2%	38.0%	35.8%	0.0%	0.0%	39.4%	39.3%	39.0%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	43.0%	41.7%	45.1%	37.7%	35.4%	0.0%		42.1%	42.1%	41.7%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	3.1%	3.1%	3.0%	1.5%	3.1%	0.0%	0.0%	2.2%	2.2%	2.2%
<u>IDP regulation financial viability indicators</u>											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	49.6	53.9	1,815.9	2,747.2	2,747.2	2,747.2	—	2,730.8	2,730.8	2,867.3
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	151.2%	148.9%	31.3%	0.0%	0.0%	0.0%	0.0%	36.2%	34.2%	37.6%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	(0.8)	(1.2)	2.1	—	—	654.6	64.4	(1.4)	(1.8)	(2.1)

MP314 Emakhazeni - Supporting Table SA9 Social, economic and demographic statistics and assumptions

Description of economic indicator	Ref.	Basis of calculation	1996 Census	2001 Census	2007 Survey	2008/9	2009/10	2010/11	Current Year 2011/12	2012/13 Medium Term Revenue & Expenditure Framework		
						Outcome	Outcome	Outcome	Original Budget	Outcome	Outcome	Outcome
Demographics												
Population			37	43	52	52	55	57	60	63	66	70
Females aged 5 - 14				5	6	6	6	6	7	7	7	8
Males aged 5 - 14				4	4	4	5	5	5	5	6	6
Females aged 15 - 34				8	8	8	8	9	9	10	10	11
Males aged 15 - 34				8	8	8	8	9	9	10	10	11
Unemployment				5	5	5	5	5	5	5	5	5
Monthly household income (no. of households)	1, 12											
No income												
R1 - R1 600			243	243	243	255	268	281	295	310	326	145
R1 601 - R3 200			788	788	788	788	788	796	836	877	921	
R3 201 - R6 400			282	282	282	282	282	285	299	314	330	
R6 401 - R12 800												
R12 801 - R25 600												
R25 601 - R51 200												
R52 201 - R102 400												
R102 401 - R204 800												
R204 801 - R409 600												
R409 601 - R819 200												
> R819 200												
Poverty profiles (no. of households)												
< R2 060 per household per month	13											
Insert description	2											
Household/demographics (000)												
Number of people in municipal area			43,007	52,000	52	55	57	60	60	60	60	60
Number of poor people in municipal area								1	2	2	2	2
Number of households in municipal area			9,724	12,127	12	12	13	13	14	14	15	15
Number of poor households in municipal area												
Definition of poor household (R per month)			500	500	500	801	841	883	927	974	1,022	1,022

Detail on the provision of municipal services for A10

Total municipal services	Ref.		2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
		Household service targets (000)									
		Water:									
		Piped water inside dwelling		9,204	9,404	9,605	9,555	9,555	10,033	10,534	11,061
		Piped water inside yard (but not in dwelling)		1,954	1,754	1,553	1,603	1,603	1,500	1,490	1,490
8		Using public tap (at least min.service level)									
10		Other water supply (at least min.service level)									
		<i>Minimum Service Level and Above sub-total</i>									
		Using public tap (< min.service level)	630	630	500	500	500	500	500	500	500
9		Other water supply (< min.service level)		329	354						
10		No water supply									
		<i>Below Minimum Service Level sub-total</i>	630	959	854	500	500	500	500	500	500
		Total number of households	630	12,117	12,012	11,658	11,658	11,658	12,033	12,524	13,051
		Sanitation/sewerage:									
		Flush toilet (connected to sewerage)	9	10	265	265	298		397	397	397
		Flush toilet (with septic tank)				109	109				
		Chemical toilet									
		Pit toilet (ventilated)									
		Other toilet provisions (> min.service level)									
		<i>Minimum Service Level and Above sub-total</i>	9,294	9,502	264,527	264,636	297,702	-	396,593	396,593	396,593
		Bucket toilet									
		Other toilet provisions (< min.service level)									
		No toilet provisions									
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	9,294	9,502	264,527	264,636	297,702	-	396,593	396,593	396,593
		Energy:									
		Electricity (at least min.service level)									
		Electricity - prepaid (min.service level)		6,191	6,560	6,932	6,932		7,279	7,643	8,025
		<i>Minimum Service Level and Above sub-total</i>	-	6,191	6,560	6,932	6,932	-	7,279	7,643	8,025
		Electricity (< min.service level)									
		Electricity - prepaid (< min. service level)									
		Other energy sources									
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	-	6,191	6,560	6,932	6,932	-	7,279	7,643	8,025
		Refuse:									
		Removed at least once a week	11	12	12	11	12	12	12	12	12
		<i>Minimum Service Level and Above sub-total</i>	10,733	11,960	11,960	11,197	11,960	11,960	11,960	11,960	11,960
		Removed less frequently than once a week									
		Using communal refuse dump									
		Using own refuse dump	1	1	3	3	3	3	3	3	3
		Other rubbish disposal									
		No rubbish disposal									
		<i>Below Minimum Service Level sub-total</i>	1,400	1,400	2,618	2,618	2,618	2,618	2,618	2,618	2,618
		Total number of households	12,133	13,360	14,578	13,815	14,578	14,578	14,578	14,578	14,578

MP314 Emakhazeni Supporting Table SA10 Funding measurement												
Description	MFMA section	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	(4,386)	(6,973)	26,929	–	–	(53,515)	(5,268)	(16,837)	(22,374)	(28,188)
Cash + investments at the yr end less applications - R'000	18(1)b	2	85,051	36,563	(63,268)	–	–	(933,222)	(81,563)	14,340	11,339	12,604
Cash year end/monthly employee/supplier payments	18(1)b	3	(0.8)	(1.2)	2.1	–	–	654.6	64.4	(1.4)	(1.8)	(2.1)
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	(7,200)	(3,944)	(62,754)	0	–	–	–	(10,660)	(11,196)	(11,756)
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	17.0%	26.7%	16.2%	7.2%	(106.0%)	(6.0%)	(12.4%)	(1.0%)	(1.0%)
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	168.0%	87.6%	108.6%	105.1%	104.3%	0.0%	0.0%	105.2%	105.2%	105.2%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	0.0%	0.0%	93.1%	2.8%	2.5%	0.0%	0.0%	2.8%	2.8%	2.8%
Capital payments % of capital expenditure	18(1)c;19	8	2.7%	53.3%	64.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Borrowing receipts % of capital expenditure (ex cl. transfers)	18(1)c	9	6.5%	3.2%	(27.2%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	21.0%	(72.3%)	(100.0%)	0.0%	0.0%	(91.0%)	0.0%	(0.7%)	15.2%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Asset renewal % of capital budget	20(1)(vi)	14	0.9%	9.5%	7.7%	5.4%	5.8%	0.0%	0.0%	6.7%	6.6%	6.6%

Supporting indicators											
% incr total service charges (incl prop rates)	18(1)a		23.0%	32.7%	22.2%	13.2%	(100.0%)	0.0%	(6.4%)	5.0%	5.0%
% incr Property Tax	18(1)a		23.9%	46.8%	(24.9%)	82.5%	(100.0%)	0.0%	6.2%	5.0%	5.0%
% incr Service charges - electricity revenue	18(1)a		46.3%	31.7%	55.7%	0.7%	(100.0%)	0.0%	(20.6%)	5.0%	5.0%
% incr Service charges - water revenue	18(1)a		5.2%	29.7%	16.4%	0.0%	(100.0%)	0.0%	10.3%	5.0%	5.0%
% incr Service charges - sanitation revenue	18(1)a		2.6%	15.7%	14.4%	0.0%	(100.0%)	0.0%	10.0%	5.0%	5.0%
% incr Service charges - refuse revenue	18(1)a		(8.4%)	25.0%	2.7%	0.0%	(100.0%)	0.0%	10.0%	5.0%	5.0%
% incr in Service charges - other	18(1)a		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total billable revenue	18(1)a	39,701	48,753	64,350	78,766	89,080	–	–	83,377	87,546	91,923
Service charges		39,123	48,133	63,879	78,033	88,347	–	–	82,716	86,852	91,194
Property rates		8,882	11,006	16,162	12,134	22,140	–	–	23,520	24,696	25,931
Service charges - electricity revenue		14,756	21,592	28,446	44,303	44,610	–	–	35,406	37,177	39,035
Service charges - water revenue		6,134	6,451	8,363	9,738	9,738	–	–	10,745	11,282	11,846
Service charges - sanitation revenue		4,705	4,828	5,585	6,392	6,392	–	–	7,031	7,383	7,752
Service charges - refuse removal		4,647	4,257	5,322	5,467	5,467	–	–	6,013	6,314	6,630
Service charges - other		–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment		578	620	471	733	733	–	–	661	694	729
Capital expenditure excluding capital grant funding		71,729	6,260	7,122	9,917	9,917	(13,237)	(15,929)	1,653	1,736	1,822
Cash receipts from ratepayers	18(1)a	85,872	47,932	81,624	119,437	131,987	131,987	53,670	108,197	113,607	119,288
Ratepayer & Other revenue	18(1)a	51,110	54,723	75,157	113,694	126,551	–	–	102,808	107,948	113,346
Change in consumer debtors (current and non-current)		(8,445)	12,579	(52,462)	(20,138)	(20,138)	28,492	8,642	30,192	(223)	4,570
Operating and Capital Grant Revenue	18(1)a	22,093	30,113	37,623	47,903	44,855	–	–	54,877	57,728	62,140
Capital expenditure - total	20(1)(vi)	73,399	12,154	14,883	23,048	23,048	–	–	17,582	18,539	19,596
Capital expenditure - renewal	20(1)(vi)	4,786	6,238	6,639	9,217	9,539	–	–	8,948	9,395	9,865
Supporting benchmarks											
Growth guideline maximum		6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
CPI guideline		4.3%	3.9%	4.6%	5.0%	5.0%	5.0%	5.0%	5.4%	5.6%	5.4%
DoRA operating grants total MFY											
DoRA capital grants total MFY											
Provincial operating grants											
Provincial capital grants											
District Municipality grants											
Total gazetted/advised national, provincial and district grants									–	–	–
Average annual collection rate (arrears inclusive)											
DoRA operating											
EQS									35,648	38,555	41,666
MSIG									800	870	950
FMG									1,500	1,500	1,750
EPWP									1,000		
									38,948	40,925	44,366
DoRA capital											
MIG									15,929	16,803	17,774
									15,929	16,803	17,774

Emakhazeni Local Municipality

2012/13 Annual Budget and MTREF

Total Operating Revenue			73,399	84,968	112,803	161,639	171,448	–	–	157,721	165,714	175,525
Total Operating Expenditure			80,599	88,912	175,557	161,639	171,448	–	–	168,381	176,910	187,281
Operating Performance Surplus/(Deficit)			(7,200)	(3,944)	(62,754)	0	–	–	–	(10,660)	(11,196)	(11,756)
Cash and Cash Equivalents (30 June 2012)										(16,837)		
Revenue												
% Increase in Total Operating Revenue				15.8%	32.8%	43.3%	6.1%	(100.0%)	0.0%	(8.0%)	5.1%	5.9%
% Increase in Property Rates Revenue				23.9%	46.8%	(24.9%)	82.5%	(100.0%)	0.0%	6.2%	5.0%	5.0%
% Increase in Electricity Revenue				46.3%	31.7%	55.7%	0.7%	(100.0%)	0.0%	(20.6%)	5.0%	5.0%
% Increase in Property Rates & Services Charges				23.0%	32.7%	22.2%	13.2%	(100.0%)	0.0%	(6.4%)	5.0%	5.0%
Expenditure												
% Increase in Total Operating Expenditure				10.3%	97.5%	(7.9%)	6.1%	(100.0%)	0.0%	(1.8%)	5.1%	5.9%
% Increase in Employee Costs				14.7%	56.7%	15.4%	(0.0%)	(100.0%)	0.0%	1.0%	5.0%	5.0%
% Increase in Electricity Bulk Purchases				41.9%	28.6%	12.4%	19.2%	(100.0%)	0.0%	13.5%	5.0%	5.0%
Average Cost Per Budgeted Employee Position (Remuneration)					154337.4297	1181744.306				1193608.001		
Average Cost Per Councillor (Remuneration)					265176.0192	265154.8				288112.0368		
R&M % of PPE			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Asset Renewal and R&M as a % of PPE			443.0%	540.0%	663.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Debt Impairment % of Total Billable Revenue			0.0%	0.0%	93.1%	2.8%	2.5%	0.0%	0.0%	2.8%	2.8%	2.8%
Capital Revenue												
Internally Funded & Other (R'000)			–	–	–	–	–	–	–	–	–	–
Borrowing (R'000)			–	–	–	–	–	–	–	–	–	–
Grant Funding and Other (R'000)			1,670	5,894	7,762	13,131	13,131	13,237	15,929	15,929	16,803	17,774
Internally Generated funds % of Non Grant Funding			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Borrowing % of Non Grant Funding			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grant Funding % of Total Funding			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Capital Expenditure												
Total Capital Programme (R'000)			75,255	11,874	13,748	23,048	22,214	–	–	17,582	18,539	19,596
Asset Renewal			4,786	6,238	6,639	9,217	9,539	–	–	8,948	9,395	9,865
Asset Renewal % of Total Capital Expenditure			286.6%	105.8%	85.5%	70.2%	72.6%	0.0%	0.0%	56.2%	55.9%	55.5%
Cash												
Cash Receipts % of Rate Payer & Other			168.0%	87.6%	108.6%	105.1%	104.3%	0.0%	0.0%	105.2%	105.2%	105.2%
Cash Coverage Ratio			(0)	(0)	0	–	–	1	0	(0)	(0)	(0)
Borrowing												
Credit Rating (2009/10)										0		
Capital Charges to Operating			0.6%	1.6%	0.9%	1.5%	1.4%	0.0%	0.0%	0.4%	0.4%	0.4%
Borrowing Receipts % of Capital Expenditure			6.5%	3.2%	(27.2%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Reserves												
Surplus/(Deficit)			85,051	36,563	(63,268)	–	–	(120,737)	(81,563)	14,340	11,339	12,604
Free Services												
Free Basic Services as a % of Equitable Share			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Free Services as a % of Operating Revenue (excl operational transfers)			6.0%	6.1%	14.1%	6.6%	6.2%	0.0%	0.0%	12.8%	12.8%	12.8%
High Level Outcome of Funding Compliance												
Total Operating Revenue			73,399	84,968	112,803	161,639	171,448	–	–	157,721	165,714	175,525
Total Operating Expenditure			80,599	88,912	175,557	161,639	171,448	–	–	168,381	176,910	187,281
Surplus/(Deficit) Budgeted Operating Statement			(7,200)	(3,944)	(62,754)	0	–	–	–	(10,660)	(11,196)	(11,756)
Surplus/(Deficit) Considering Reserves and Cash Backing			77,851	32,619	(126,022)	0	–	(120,737)	(81,563)	3,680	143	848
MTREF Funded (1) / Unfunded (0)	15	1	1	0	1	1	0	0	1	1	1	1
MTREF Funded ✓ / Unfunded ✗	15	✓	✓	✗	✓	✓	✗	✗	✓	✓	✓	✓

MP314 Emakhazeni - Supporting Table SA11 Property rates summary

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Valuation:	1	2/07/2008								
Date of valuation:										
Financial year valuation used										
Municipal by-laws s6 in place? (Y/N)	2	YES	YES	YES						
Municipal/assistant valuer appointed? (Y/N)		NO	NO	NO						
Municipal partnership s38 used? (Y/N)										
No. of assistant valuers (FTE)	3									
No. of data collectors (FTE)	3	5								
No. of internal valuers (FTE)	3	—								
No. of external valuers (FTE)	3	1								
No. of additional valuers (FTE)	4									
Valuation appeal board established? (Y/N)		YES								
Implementation time of new valuation roll (mths)										
No. of properties	5	13,996	13,996	13,996						
No. of sectional title values	5									
No. of unreasonably difficult properties s7(2)										
No. of supplementary valuations			1	1						
No. of valuation roll amendments										
No. of objections by rate payers		396								
No. of appeals by rate payers										
No. of successful objections	8	69								
No. of successful objections > 10%	8									
Supplementary valuation										
Public service infrastructure value (Rm)	5									
Municipality owned property value (Rm)										
Valuation reductions:										
Valuation reductions-public infrastructure (Rm)										
Valuation reductions-nature reserves/park (Rm)										
Valuation reductions-mineral rights (Rm)										
Valuation reductions-R15,000 threshold (Rm)										
Valuation reductions-public worship (Rm)										
Valuation reductions-other (Rm)										
Total valuation reductions:		—	—	—	—	—	—	—	—	—
Total value used for rating (Rm)	5									
Total land value (Rm)	5									
Total value of improvements (Rm)	5									
Total market value (Rm)	5									
Rating:										
Residential rate used to determine rate for other categories? (Y/N)										
Differential rates used? (Y/N)	5	YES	YES							
Limit on annual rate increase (s20)? (Y/N)		YES	YES							
Special rating area used? (Y/N)		NO	NO							
Phasing-in properties s21 (number)										
Rates policy accompanying budget? (Y/N)		YES	YES							
Fixed amount minimum value (R'000)										
Non-residential prescribed ratio s19? (%)										
Rate revenue:										
Rate revenue budget (R '000)	6									
Rate revenue expected to collect (R'000)	6									
Expected cash collection rate (%)										
Special rating areas (R'000)	7									
Rebates, exemptions - indigent (R'000)		YES	YES	YES						
Rebates, exemptions - pensioners (R'000)		YES	YES	YES						
Rebates, exemptions - bona fide farm. (R'000)		NO	YES	YES						
Rebates, exemptions - other (R'000)		YES	YES	YES						
Phase-in reductions/discounts (R'000)		NO	NO	NO						
Total rebates,exemptns,eductns,discs (R'000)		—	—	—	—	—	—	—	—	—

MP314 Emakhazeni - Supporting Table SA12a Property rates by category (current year)

Description	Ref	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State trust land	Section 8(2)(n) (note 1)	Protect. Areas	National Monum/ts	Public benefit organs.	Mining Props.
Current Year 2011/12																	
Valuation:																	
No. of properties					186			143	4								2
No. of sectional title property values																	
No. of unreasonably difficult properties s7(2)																	
No. of supplementary valuations																	
Supplementary valuation (Rm)																	
No. of valuation roll amendments																	
No. of objections by rate-payers		395	-	-	-	396	-	-	-	-	-	-	-	-	-		
No. of appeals by rate-payers																	
No. of appeals by rate-payers finalised																	
No. of successful objections	5	119				69											
No. of successful objections > 10%	5					17											
Estimated no. of properties not valued		1,100															
Years since last valuation (select)		>5															
Frequency of valuation (select)		4															
Method of valuation used (select)		Market				Market	Market	Market	Market	Market						Market	Market
Base of valuation (select)		Land & impr.															
Phasing-in properties s21 (number)																	
Combination of rating types used? (Y/N)		Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Flat rate used? (Y/N)		No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No
Is balance rated by uniform rate/variable rate?		Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable
Valuation reductions:																	
Valuation reductions-public infrastructure (Rm)																	
Valuation reductions-nature reserves/park (Rm)																	
Valuation reductions-mineral rights (Rm)																	
Valuation reductions-R15,000 threshold (Rm)																	
Valuation reductions-public worship (Rm)																	
Valuation reductions-other (Rm)	2																
Total valuation reductions:																	
Total value used for rating (Rm)	6																
Total land value (Rm)	6																
Total value of improvements (Rm)	6																
Total market value (Rm)	6																
Rating:																	
Average rate	3																
Rate revenue budget (R '000)																	
Rate revenue expected to collect (R'000)																	
Expected cash collection rate (%)	4																
Special rating areas (R'000)																	
Rebates, exemptions - indigent (R'000)																	
Rebates, exemptions - pensioners (R'000)																	
Rebates, exemptions - bona fide farm. (R'000)																	
Rebates, exemptions - other (R'000)																	
Phase-in reductions/discounts (R'000)																	
Total rebates,exemptns,eductns,discs (R'000)																	

MP314 Emakhazeni - Supporting Table SA12b Property rates by category (budget year)

Description	Ref	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State trust land	Section 8(2)(n) (note 1)	Protect. Areas	National Monum/ts	Public benefit organs.	Mining Props.
Budget Year 2012/13																	
Valuation:																	
No. of properties						79	1,720		4	10,540							2
No. of sectional title property values																	
No. of unreasonably difficult properties s7(2)																	
No. of supplementary valuations																	
Supplementary valuation (Rm)																	
No. of valuation roll amendments																	
No. of objections by rate-payers		400				–	–	114	–	60							2
No. of appeals by rate-payers																	
No. of appeals by rate-payers finalised																	
No. of successful objections	5	200															
No. of successful objections > 10%	5																
Estimated no. of properties not valued		1,100															
Years since last valuation (select)		>5				4	4	4	4	4					4	4	4
Frequency of valuation (select)		4															
Method of valuation used (select)		Market				Market	Market	Market	Market	Market						Market	Market
Base of valuation (select)		Land & impr.															
Phasing-in properties s21 (number)																	
Combination of rating types used? (Y/N)		Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Flat rate used? (Y/N)		No	No	No	No	No	No	No	No	No	No	No	No	No	No	Yes	No
Is balance rated by uniform rate/variable rate?		Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable
Valuation reductions:																	
Valuation reductions-public infrastructure (Rm)																	
Valuation reductions-nature reserves/park (Rm)																	
Valuation reductions-mineral rights (Rm)																	
Valuation reductions-R15,000 threshold (Rm)																	
Valuation reductions-public worship (Rm)																	
Valuation reductions-other (Rm)	2																
Total valuation reductions:																	
Total value used for rating (Rm)	6																
Total land value (Rm)	6																
Total value of improvements (Rm)	6																
Total market value (Rm)	6																
Rating:																	
Average rate	3																
Rate revenue budget (R '000)		25,994															25,994
Rate revenue expected to collect (R'000)		23,520															23,520
Expected cash collection rate (%)	4																
Special rating areas (R'000)																	
Rebates, exemptions - indigent (R'000)																	
Rebates, exemptions - pensioners (R'000)																	
Rebates, exemptions - bona fide farm. (R'000)																	
Rebates, exemptions - other (R'000)																	
Phase-in reductions/discounts (R'000)																	
Total rebates, exemptns, reductns, discs (R'000)																	

MP314 Emakhazeni - Supporting Table SA13 Service Tariffs by category

Description	Ref	Provide description of tariff structure where appropriate	2008/9	2009/10	2010/11	Current Year 2011/12	2012/13 Medium Term Revenue & Expenditure Framework		
							Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Property rates (rate in the Rand)	1								
Residential properties			0.292	0.325	0.326	0.005700			
Residential properties - vacant land			0.471	0.325	0.528	0.005700			
Formal/informal settlements									
Small holdings									
Farm properties - used									
Farm properties - not used									
Industrial properties									
Business and commercial properties			0.505	0.563	0.566	0.018240			
Communal land - residential									
Communal land - small holdings						0.001450			
Communal land - farm property						0.001450			
Communal land - business and commercial									
Communal land - other									
State-owned properties									
Municipal properties						0.000000			
Public service infrastructure						0.151000			
Privately owned towns serviced by the State trust land						0.003840			
Restitution and redistribution properties									
Protected areas									
National monuments properties									
Exemptions, reductions and rebates									
Residential properties									
R15 000 threshold rebate			15,000	15,000	15,000	15,000	15,000	15,000	15,000
General residential rebate									
Indigent rebate or exemption									
Pensioners/social grants rebate or exemption									
Temporary relief rebate or exemption									
Bona fide farmers rebate or exemption									
List other rebates or exemptions									
[insert lines if necessary]									
Water tariffs									
Domestic									
Basic charge/fee (Rands/month)									
Service point - vacant land (Rands/month)									
Water usage - flat rate tariff (c/kl)									
Water usage - life line tariff		(describe structure)							
Water usage - Block 1 (c/kl)		0-6 kl	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Water usage - Block 2 (c/kl)		7-20 kl	1.926	2.147	2.405	2.705	3.029		
Water usage - Block 3 (c/kl)		21-30 kl	3.063	3.413	3.823	4.300	4.816		
Water usage - Block 4 (c/kl)		31-40 kl	3.940	4.390	4.917	5.531	6.194		
[insert extra blocks if necessary]		41- kl	5.051	5.628	6.303	7.091	7.941		
Waste water tariffs									
Domestic									
Basic charge/fee (Rands/month)			46.34	51.64	57.84	65.07			
Service point - vacant land (Rands/month)			61.88	68.72	76.97	86.59			
Waste water - flat rate tariff (c/kl)									
Volumetric charge - Block 1 (c/kl)		(fill in structure)							
Volumetric charge - Block 2 (c/kl)		(fill in structure)							
Volumetric charge - Block 3 (c/kl)		(fill in structure)							
Volumetric charge - Block 4 (c/kl)		(fill in structure)							
[insert extra blocks if necessary]									
Electricity tariffs									
Domestic									
Basic charge/fee (Rands/month)									
Service point - vacant land (Rands/month)									
FBE		(how is this targeted?)							
Life-line tariff - meter		(describe structure)							
Life-line tariff - prepaid		(describe structure)							
Flat rate tariff - meter (c/kwh)									
Flat rate tariff - prepaid (c/kwh)									
Meter - IBT Block 1 (c/kwh)		(fill in thresholds)	0.00	0.00	0.00	0.74	0.82		
Meter - IBT Block 2 (c/kwh)		(fill in thresholds)	0.546	0.683	0.877	0.79	0.88		
Meter - IBT Block 3 (c/kwh)		(fill in thresholds)	0.602	0.753	0.903	0.98	1.09		
Meter - IBT Block 4 (c/kwh)		(fill in thresholds)	0.660	0.824	0.931	1.16	1.29		
Meter - IBT Block 5 (c/kwh)		(fill in thresholds)							
[insert extra blocks if necessary]									
Prepaid - IBT Block 1 (c/kwh)		(fill in thresholds)	0.00	0.00	0.00	0.74	0.82		
Prepaid - IBT Block 2 (c/kwh)		(fill in thresholds)	0.570	0.712	1.000	0.79	0.88		
Prepaid - IBT Block 3 (c/kwh)		(fill in thresholds)	0.602	0.753	1.045	0.98	1.09		
Prepaid - IBT Block 4 (c/kwh)		(fill in thresholds)				1.16	1.29		
Prepaid - IBT Block 5 (c/kwh)		(fill in thresholds)							
[insert extra blocks if necessary]									
Waste management tariffs									
Domestic									
Street cleaning charge									
Basic charge/fee									
80l bin - once a week									
250l bin - once a week									

MP314 Emakhazeni - Supporting Table SA14 Household bills

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13 % Incr.	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Rand/cent											
Monthly Account for Household - 'Middle Income Range'	1										
Rates and services charges:											
Property rates				30.31	34.30	34.30		10.0%	37.73	39.62	41.60
Electricity: Basic levy				91.39	110.02	110.02		11.3%	122.45	128.57	135.00
Electricity: Consumption				81.84	98.52	98.52		11.3%	109.65	115.14	120.89
Water: Basic levy				82.79	93.13	93.13		10.0%	102.44	107.57	112.94
Water: Consumption				24.05	27.05	27.05		10.0%	29.76	31.24	32.80
Sanitation				145.99	164.25	164.25		10.0%	180.68	189.71	199.19
Refuse removal				100.90	114.27	114.27		10.0%	125.70	131.98	138.58
Other				101.00	113.69	113.69		10.0%	125.06	131.31	137.88
sub-total		-	-	658.27	755.23	755.23	-	10.4%	833.46	875.14	918.89
VAT on Services											
Total large household bill:		-	-	658.27	755.23	755.23	-	10.4%	833.46	875.14	918.89
% increase/-decrease				-	14.7%	-	(100.0%)		-	5.0%	5.0%
Monthly Account for Household - 'Affordable Range'	2										
Rates and services charges:											
Property rates											
Electricity: Basic levy											
Electricity: Consumption											
Water: Basic levy											
Water: Consumption											
Sanitation											
Refuse removal											
Other											
sub-total		-	-	-	-	-	-	-	-	-	-
VAT on Services											
Total small household bill:		-	-	-	-	-	-	-	-	-	-
% increase/-decrease				-	-	-	-	-	-	-	-
Monthly Account for Household - 'Indigent' Household receiving free basic services	3										
Rates and services charges:											
Property rates		28.54	32.62	36.98							
Electricity: Basic levy											
Electricity: Consumption											
Water: Basic levy		17.13	19.09	21.38							
Water: Consumption											
Sanitation		21.62	24.09	26.98							
Refuse removal		34.26	38.18	42.76							
Other											
sub-total		101.55	113.98	128.10	-	-	-	-	-	-	-
VAT on Services											
Total small household bill:		101.55	113.98	128.10	-	-	-	-	-	-	-
% increase/-decrease			12.2%	12.4%	(100.0%)	-	-	-	-	-	-

MP314 Emakhazeni - Supporting Table SA15 Investment particulars by type

Investment type	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand										
<u>Parent municipality</u>										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank		160	165	20				21	22	23
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Municipal Bonds										
Municipality sub-total	1	160	165	20	-	-	-	21	22	23
<u>Entities</u>										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank										
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Entities sub-total		-	-	-	-	-	-	-	-	-
Consolidated total:		160	165	20	-	-	-	21	22	23

MP314 Emakhazeni - Supporting Table SA16 Investment particulars by maturity

Investments by Maturity	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate 3.	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Monetary value	Interest to be realised
Name of institution & investment ID	1	Yrs/Months								Rand thousand	
Parent municipality											
Fnb - 32 - Day 74006889065		Short term	32-Day Acc						Less than 90 days	2	
Fnb - Call Acc 61165004600		Short term	Call Acc						Less than 90 days	2	
Fnb - Call Acc 62178430212		Short term	Call Acc						Less than 90 days	3	
Fnb - Call Acc 62076419508		Short term	Call Acc						Less than 90 days	13	
Municipality sub-total										20	-
Entities											
Entities sub-total										-	-
TOTAL INVESTMENTS AND INTEREST	1									20	-

MP314 Emakhazeni - Supporting Table SA17 Borrowing

Borrowing - Categorised by type	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand										
<u>Parent municipality</u>										
Long-Term Loans (annuity /reducing balance)										
Long-Term Loans (non-annuity)		1,735	1,937							
Local registered stock										
Instalment Credit										
Financial Leases		2,032	1,074							
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
Municipality sub-total	1	3,768	3,011	-	-	-	-	-	-	-
<u>Entities</u>										
Long-Term Loans (annuity /reducing balance)										
Long-Term Loans (non-annuity)										
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
Entities sub-total	1	-	-	-	-	-	-	-	-	-
Total Borrowing	1	3,768	3,011	-	-	-	-	-	-	-

MP314 Emakhazeni - Supporting Table SA32 List of external mechanisms

[illegible]

MP314 Emakhazeni - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		—	27,913	31,007	32,418	33,899	—	35,593	37,373	39,242
Infrastructure - Road transport		—	5,440	6,100	6,405	6,725	—	7,062	7,415	7,785
Roads, Pavements & Bridges		—	5,440	6,100	6,405	6,725	—	7,062	7,415	7,785
Storm water		—	—	—	—	—	—	—	—	—
Infrastructure - Electricity		—	233	300	315	331	—	347	365	383
Generation		—	—	—	—	—	—	—	—	—
Transmission & Reticulation		—	233	300	315	331	—	347	365	383
Street Lighting		—	—	—	—	—	—	—	—	—
Infrastructure - Water		—	8,496	9,491	9,966	10,464	—	10,987	11,536	12,113
Dams & Reservoirs		—	—	—	—	—	—	—	—	—
Water purification		—	3,504	4,000	4,200	4,410	—	4,631	4,862	5,105
Reticulation		—	4,992	5,491	5,766	6,054	—	6,357	6,674	7,008
Infrastructure - Sanitation		—	9,426	10,367	10,885	11,430	—	12,001	12,601	13,231
Reticulation		—	8,158	8,973	9,422	9,893	—	10,387	10,907	11,452
Sewerage purification		—	1,268	1,394	1,464	1,537	—	1,614	1,694	1,779
Infrastructure - Other		—	4,318	4,749	4,847	4,949	—	5,197	5,456	5,729
Waste Management		—	—	—	—	—	—	—	—	—
Transportation	2	—	1,775	1,952	2,050	2,152	—	2,260	2,373	2,491
Gas		—	—	—	—	—	—	—	—	—
Other	3	—	2,543	2,797	2,797	2,797	—	2,937	3,084	3,238
Community		—	4,896	5,385	5,540	5,703	—	5,988	6,288	6,602
Parks & gardens		—	2,052	2,257	2,257	2,257	—	2,370	2,488	2,613
Sportsfields & stadia		—	—	—	—	—	—	—	—	—
Swimming pools		—	7	8	8	8	—	8	9	9
Community halls		—	—	—	—	—	—	—	—	—
Libraries		—	—	—	—	—	—	—	—	—
Recreational facilities		—	—	—	—	—	—	—	—	—
Fire, safety & emergency		—	—	—	—	—	—	—	—	—
Security and policing		—	—	—	—	—	—	—	—	—
Buses		—	—	—	—	—	—	—	—	—
Clinics	7	—	17	18	18	18	—	19	20	21
Museums & Art Galleries		—	2,820	3,102	3,257	3,420	—	3,591	3,771	3,959
Cemeteries		—	—	—	—	—	—	—	—	—
Social rental housing	8	—	—	—	—	—	—	—	—	—
Other		—	—	—	—	—	—	—	—	—
Heritage assets		—	—	—	—	—	—	—	—	—
Buildings		—	—	—	—	—	—	—	—	—
Other	9	—	—	—	—	—	—	—	—	—
Investment properties		—	—	—	—	—	—	—	—	—
Housing development		—	—	—	—	—	—	—	—	—
Other		—	—	—	—	—	—	—	—	—
Other assets		—	10,228	11,249	11,811	12,402	—	13,022	13,673	14,357
General vehicles		—	7,176	7,893	8,288	8,702	—	9,137	9,594	10,074
Specialised vehicles	10	—	—	—	—	—	—	—	—	—
Plant & equipment		—	—	—	—	—	—	—	—	—
Computers - hardware/equipment		—	665	731	768	806	—	846	889	933
Furniture and other office equipment		—	837	920	966	1,014	—	1,065	1,118	1,174
Abattoirs		—	—	—	—	—	—	—	—	—
Markets		—	—	—	—	—	—	—	—	—
Civic Land and Buildings		—	—	—	—	—	—	—	—	—
Other Buildings		—	481	529	555	583	—	612	643	675
Other Land		—	—	—	—	—	—	—	—	—
Surplus Assets - (Investment or Inventory)		—	—	—	—	—	—	—	—	—
Other		—	1,069	1,176	1,235	1,297	—	1,361	1,429	1,501
Agricultural assets		—	—	—	—	—	—	—	—	—
List sub-class		—	—	—	—	—	—	—	—	—
Biological assets		—	—	—	—	—	—	—	—	—
List sub-class		—	—	—	—	—	—	—	—	—
Intangibles		1,452	1,686	1,726	—	—	20,710	—	—	—
Computers - software & programming		1,452	1,686	1,726	—	—	20,710	—	—	—
Other (list sub-class)		—	—	—	—	—	—	—	—	—
Total Capital Expenditure on new assets	1	1,452	44,723	49,367	49,769	52,004	20,710	54,604	57,334	60,201
Specialised vehicles		—	—	—	—	—	—	—	—	—
Refuse		—	—	—	—	—	—	—	—	—
Fire		—	—	—	—	—	—	—	—	—
Conservancy		—	—	—	—	—	—	—	—	—
Ambulances		—	—	—	—	—	—	—	—	—

MP314 Emakhazeni - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand	1									
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		2,772	3,922	4,678	6,291	6,543	—	6,273	6,587	6,916
Infrastructure - Road transport		290	853	818	662	662	—	859	902	947
Roads, Pavements & Bridges		290	723	697	476	653	—	750	788	827
Storm water		—	130	121	186	9	—	109	114	120
Infrastructure - Electricity		2,184	2,360	2,507	3,666	4,217	—	3,768	3,956	4,154
Generation		—	—	—	—	—	—	—	—	—
Transmission & Reticulation		2,094	2,275	2,381	3,166	3,709	—	3,438	3,610	3,790
Street Lighting		90	84	126	499	508	—	330	347	364
Infrastructure - Water		89	58	124	264	264	—	169	177	186
Dams & Reservoirs		—	—	—	—	—	—	—	—	—
Water purification		89	1	103	220	220	—	160	168	176
Reticulation		—	57	21	44	44	—	9	9	10
Infrastructure - Sanitation		—	—	—	—	—	—	—	—	—
Reticulation		—	—	—	—	—	—	—	—	—
Sewerage purification		—	—	—	—	—	—	—	—	—
Infrastructure - Other		209	651	1,230	1,699	1,399	—	1,478	1,552	1,629
Waste Management		209	651	1,230	1,699	1,399	—	1,478	1,552	1,629
Transportation	2	—	—	—	—	—	—	—	—	—
Gas	3	—	—	—	—	—	—	—	—	—
Other	3	—	—	—	—	—	—	—	—	—
Community		81	132	26	196	196	—	150	158	165
Parks & gardens		—	—	—	—	—	—	—	—	—
Sportsfields & stadia		—	—	—	—	—	—	—	—	—
Swimming pools		—	—	—	10	10	—	—	—	—
Community halls		—	—	—	—	—	—	—	—	—
Libraries		—	—	—	—	—	—	—	—	—
Recreational facilities		—	—	—	—	—	—	—	—	—
Fire, safety & emergency		—	30	26	42	42	—	40	42	44
Security and policing		—	—	—	—	—	—	—	—	—
Buses		—	—	—	—	—	—	—	—	—
Clinics		—	—	—	—	—	—	—	—	—
Museums & Art Galleries		—	—	—	—	—	—	—	—	—
Cemeteries		66	85	—	144	144	—	110	116	121
Social rental housing		15	1	—	—	—	—	—	—	—
Other		—	18	—	—	—	—	—	—	—
Heritage assets		—	—	—	—	—	—	—	—	—
Buildings		—	—	—	—	—	—	—	—	—
Other		—	—	—	—	—	—	—	—	—
Investment properties		—	—	—	—	—	—	—	—	—
Housing development		—	—	—	—	—	—	—	—	—
Other		—	—	—	—	—	—	—	—	—
Other assets		1,933	2,183	1,935	2,730	2,800	—	2,524	2,651	2,783
General vehicles		605	1,017	1,127	1,051	1,131	—	1,023	1,074	1,128
Specialised vehicles		—	—	—	—	—	—	—	—	—
Plant & equipment		1,071	707	593	1,159	1,199	—	1,102	1,158	1,215
Computers - hardware/equipment		74	209	113	127	127	—	134	140	147
Furniture and other office equipment		23	20	0	30	30	—	41	44	46
Abattoirs		—	—	—	—	—	—	—	—	—
Markets		—	—	—	—	—	—	—	—	—
Civic Land and Buildings		—	—	—	—	—	—	—	—	—
Other Buildings		—	—	—	—	—	—	—	—	—
Other Land		—	—	—	—	—	—	—	—	—
Surplus Assets - (Investment or Inventory)		—	—	—	—	—	—	—	—	—
Other		160	230	102	362	312	—	224	235	247
Agricultural assets		—	—	—	—	—	—	—	—	—
List sub-class		—	—	—	—	—	—	—	—	—
Biological assets		—	—	—	—	—	—	—	—	—
List sub-class		—	—	—	—	—	—	—	—	—
Intangibles		—	—	—	—	—	—	—	—	—
Computers - software & programming		—	—	—	—	—	—	—	—	—
Other (list sub-class)		—	—	—	—	—	—	—	—	—
Total Capital Expenditure on renewal of existing	1	4,786	6,238	6,639	9,217	9,539	—	8,948	9,395	9,865
Specialised vehicles		—	—	—	—	—	—	—	—	—
Refuse		—	—	—	—	—	—	—	—	—
Fire		—	—	—	—	—	—	—	—	—
Conservancy		—	—	—	—	—	—	—	—	—
Ambulances		—	—	—	—	—	—	—	—	—
Renewal of Existing Assets as % of total capex		76.7%	12.2%	11.9%	15.6%	15.5%	0.0%	14.1%	14.1%	14.1%
Renewal of Existing Assets as % of deprechn"		274.2%	291.3%	241.4%	0.0%	327.2%	0.0%	306.9%	306.9%	306.9%

MP314 Emakhazeni - Supporting Table SA34d Depreciation by asset class

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand	1									
Depreciation by Asset Class/Sub-class										
Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Roads, Pavements & Bridges		-	-	-	-	-	-	-	-	-
Storm water		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Generation		-	-	-	-	-	-	-	-	-
Transmission & Reticulation		-	-	-	-	-	-	-	-	-
Street Lighting		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Dams & Reservoirs		-	-	-	-	-	-	-	-	-
Water purification		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Sewerage purification		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Waste Management		-	-	-	-	-	-	-	-	-
Transportation	2	-	-	-	-	-	-	-	-	-
Gas		-	-	-	-	-	-	-	-	-
Other	3	-	-	-	-	-	-	-	-	-
Community		-	-	-	-	-	-	-	-	-
Parks & gardens		-	-	-	-	-	-	-	-	-
Sportsfields & stadia		-	-	-	-	-	-	-	-	-
Swimming pools		-	-	-	-	-	-	-	-	-
Community halls		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Recreational facilities		-	-	-	-	-	-	-	-	-
Fire, safety & emergency		-	-	-	-	-	-	-	-	-
Security and policing		-	-	-	-	-	-	-	-	-
Buses	7	-	-	-	-	-	-	-	-	-
Clinics		-	-	-	-	-	-	-	-	-
Museums & Art Galleries		-	-	-	-	-	-	-	-	-
Cemeteries		-	-	-	-	-	-	-	-	-
Social rental housing	8	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings	9	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Housing development		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Other assets		-	2,141	2,750	-	2,915	-	2,915	3,061	3,214
General vehicles	10	-	-	-	-	-	-	-	-	-
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		-	-	-	-	-	-	-	-	-
Computers - hardware/equipment		-	-	-	-	-	-	-	-	-
Furniture and other office equipment		-	-	-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Civic Land and Buildings		-	-	-	-	-	-	-	-	-
Other Buildings		-	-	-	-	-	-	-	-	-
Other Land		-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-
Other		-	2,141	2,750	-	2,915	-	2,915	3,061	3,214
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
Computers - software & programming		-	-	-	-	-	-	-	-	-
Other (list sub-class)		-	-	-	-	-	-	-	-	-
Total Depreciation	1	-	2,141	2,750	-	2,915	-	2,915	3,061	3,214

MP314 Emakhazeni - Supporting Table SA35 Future financial implications of the capital budget

Vote Description R thousand	Ref	2012/13 Medium Term Revenue & Expenditure Framework			Forecasts			
		Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15	Forecast 2015/16	Forecast 2016/17	Forecast 2017/18	Present value
Capital expenditure	1							
Vote 1 - EXECUTIVE & COUNCIL		16,049	16,929	17,906				
Vote 2 - FINANCE & ADMIN		570	599	628				
Vote 3 - PLANNING & DEVELOPMENT		—	—	—				
Vote 4 - HEALTH		50	53	55				
Vote 5 - COMMUNITY & SOCIAL SERVICES		—	—	—				
Vote 6 - PUBLIC SAFETY		90	95	99				
Vote 7 - SPORT & RECREATION		—	—	—				
Vote 8 - WASTE MANAGEMENT		324	340	357				
Vote 9 - WASTE WATER MANAGEMENT		20	21	22				
Vote 10 - ROAD TRANSPORT		—	—	—				
Vote 11 - WATER		200	210	221				
Vote 12 - ELECTRICITY		260	273	287				
Vote 13 - OTHER		19	20	21				
Vote 14 -		—	—	—				
Vote 15 -		—	—	—				
<i>List entity summary if applicable</i>								
Total Capital Expenditure		17,582	18,539	19,596	—	—	—	—
Future operational costs by vote	2							
Vote 1 - EXECUTIVE & COUNCIL								
Vote 2 - FINANCE & ADMIN								
Vote 3 - PLANNING & DEVELOPMENT								
Vote 4 - HEALTH								
Vote 5 - COMMUNITY & SOCIAL SERVICES								
Vote 6 - PUBLIC SAFETY								
Vote 7 - SPORT & RECREATION								
Vote 8 - WASTE MANAGEMENT								
Vote 9 - WASTE WATER MANAGEMENT								
Vote 10 - ROAD TRANSPORT								
Vote 11 - WATER								
Vote 12 - ELECTRICITY								
Vote 13 - OTHER								
Vote 14 -								
Vote 15 -								
<i>List entity summary if applicable</i>								
Total future operational costs		—	—	—	—	—	—	—
Future revenue by source	3							
Property rates								
Property rates - penalties & collection charges								
Service charges - electricity revenue								
Service charges - water revenue								
Service charges - sanitation revenue								
Service charges - refuse revenue								
Service charges - other								
Rental of facilities and equipment								
<i>List other revenues sources if applicable</i>								
<i>List entity summary if applicable</i>								
Total future revenue		—	—	—	—	—	—	—
Net Financial Implications		17,582	18,539	19,596	—	—	—	—
<u>References</u>								

MP314 Emakhazeni - Supporting Table SA37 Projects delayed from previous financial year/s

Municipal Vote/Capital project	Ref. 1,2	Project name	Project number	Asset Class 3	Asset Sub-Class 3	GPS co-ordinates 4	Previous target year to complete	Current Year 2011/12		2012/13 Medium Term Revenue & Expenditure Framework		
								Original Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
								Year				
R thousand												
Parent municipality:												
<i>List all capital projects grouped by Municipal Vote</i>				<i>Examples</i>	<i>Examples</i>							
019-305004		Completion of main bus route road in Siyathuthuka Extension		Infrastructure - Road transport	Roads, Pavements & Bridges	E: 29, 59, 21. S: 25, 40, 50	2011	564	-	-	-	-
		Installation of high mast lights in Siyathuthuka		Infrastructure - Electricity	Street Lighting	E: 29, 59, 29. S: 25, 40, 31	2011	401	-	-	-	-
		Installation of high mast lights in Emthonjeni		Infrastructure - Electricity	Street Lighting	Z: 1, 34, 31. S: 32, 42	2011	476	-	-	-	-
		Paving of Manzini street in Siyathuthuka		Infrastructure - Road transport	Roads, Pavements & Bridges	E: 29, 59, 21. S: 25, 40, 50	2011	765	-	-	-	-
		Paving of roads in Sakhelwe		Infrastructure - Road transport	Roads, Pavements & Bridges	E: 30, 5, 20. S: 25, 24, 32	2011	253	-	-	-	-
		Water supply in rural areas phase 3		Infrastructure - Water	Transmission & Reticulation	E: 30, 2, 5. S: 25, 40, 30	2011	125	-	-	-	-
		Upgrading of West street pump station in Belfast		Infrastructure - Sanitation	Sewerage purification	E: 30, 3, 0 S: 25, 39, 0	2011	34	-	-	-	-

2.15 _Quality Certification of the Municipal Manager

Dear Sir/Madam

I Mr. O.N Nkosi, the Municipal Manager of Emakhazeni Local Municipality, hereby certify that the annual budget and supporting documents have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the act, and that the annual budget and the supporting documents are consistent with the Integrated Development Plan (IDP) of the Municipality.

Name : **MR. O.N. NKOSI**
MUNICIPAL MANAGER

Municipal Code : MP314

Signature : _____

Date : _____